



Company Registration No. 200100340R

UMS Holdings Limited and its subsidiaries

Unaudited Condensed Interim Financial Statements
For the six-month financial period ended 30 June 2023

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

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UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

**Condensed interim consolidated income statement
For the six-month financial period ended 30 June 2023**

	Group					
	2Q			6 Months Ended		
	30-Jun-23	30-Jun-22	Change	30-Jun-23	30-Jun-22	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	74,376	86,602	-14%	155,131	171,340	-9%
Net finance expense (Note 6.1)	47	(195)	N.M.	(54)	(417)	-87%
Changes in inventories	(4,458)	12,863	N.M.	1,770	13,445	-87%
Raw material purchases and subcontractor charges	(35,488)	(54,695)	-35%	(81,931)	(96,458)	-15%
Employee benefits expense	(9,269)	(9,849)	-6%	(19,026)	(20,088)	-5%
Amortisation of intangible asset	(75)	(75)	0%	(150)	(150)	0%
Depreciation expense	(4,905)	(3,835)	28%	(9,512)	(7,480)	27%
Other expenses (Note 6.2)	(6,777)	(5,532)	23%	(13,117)	(10,364)	27%
Other credits (Note 6.3)	363	1,619	-78%	645	2,489	-74%
Profit before income tax	13,814	26,903	-49%	33,756	52,317	-35%
Income tax expense (Note 7)	(1,564)	(5,642)	-72%	(3,826)	(10,367)	-63%
Net profit for the period from continuing operations	12,250	21,261	-42%	29,930	41,950	-29%
Profit attributable to:						
Owners of the parent	11,617	20,175	-42%	28,976	39,546	-27%
Non- controlling interest	633	1,086	-42%	954	2,404	-60%
	12,250	21,261	-42%	29,930	41,950	-29%
Earnings per share attributable to owners of the Company (cents per share)						
Basic	1.73	3.03		4.32	5.93	
Diluted	1.73	3.03		4.32	5.93	

N.M - Not meaningful

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Condensed interim statement of comprehensive income As at 30 June 2023

	Group					
	2Q			6 Months Ended		
	30-Jun-23 S\$'000	30-Jun-22 S\$'000	Change %	30-Jun-23 S\$'000	30-Jun-22 S\$'000	Change %
Net profit for the period	12,250	21,261	-42%	29,930	41,950	-29%
Other comprehensive loss, net of income tax						
<i>Items that may be classified subsequently to profit and loss:</i>						
Exchange differences on translation of foreign operations	(3,045)	(1,549)	N.M	(3,784)	(1,885)	101%
Total comprehensive income for the period	9,205	19,712	-53%	26,146	40,065	-35%
Attributable to:						
Equity holders of the Company	8,583	18,646	-54%	25,195	37,698	-33%
Non- controlling interests	622	1,066	-42%	951	2,367	-60%
	9,205	19,712	-53%	26,146	40,065	-35%

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Condensed interim statement of financial position As at 30 June 2023

	Group		Company	
	30-Jun-2023 S\$'000	31-Dec-2022 S\$'000	30-Jun-2023 S\$'000	31-Dec-2022 S\$'000
ASSETS				
Current Assets				
Cash and bank balances	72,082	61,672	340	1,073
Trade receivables and other current assets	62,489	79,890	1,376	17,730
Financial assets through profit and loss	846	967	846	967
Loan to subsidiaries	-	-	5,313	5,486
Inventories	112,436	110,666	-	-
Total Current Assets	247,853	253,195	7,875	25,256
Non-Current Assets				
Investment in subsidiaries	-	-	262,863	262,863
Property, plant and equipment (Note 12)	138,613	135,428	-	-
Right-of-use assets	10,784	10,952	-	-
Investment property (Note 13)	1,447	1,497	-	-
Intangible assets (Note 11)	88,101	88,251	-	-
Deferred tax assets	121	97	-	-
Total Non-Current Assets	239,066	236,225	262,863	262,863
Total Assets	486,919	489,420	270,738	288,119
LIABILITIES AND EQUITY				
Current Liabilities				
Bank borrowings (Note 14)	2,556	11,549	-	9,000
Trade and other payables	53,833	57,947	49,720	53,269
Loan from related parties (Note 14)	-	909	-	-
Lease liabilities	729	761	-	-
Income tax payable	10,159	11,083	-	-
Total Current Liabilities	67,277	82,249	49,720	62,269
Non Current Liabilities				
Bank borrowings (Note 14)	17,086	18,361	-	-
Deferred tax liabilities	9,721	10,611	-	-
Long-term provision*	405	405	-	-
Lease liabilities	9,435	9,426	-	-
Total Non-Current Liabilities	36,647	38,803	-	-
Total Liabilities	103,924	121,052	49,720	62,269
Capital and Reserves				
Share capital (Note 15)	136,623	136,623	136,623	136,623
Treasury shares (Note 15.1)	(145)	(891)	-	(746)
Reserves	(20,595)	(16,814)	-	-
Retained earnings	238,263	221,552	84,395	89,973
	354,146	340,470	221,018	225,850
Non-controlling interest	28,849	27,898	-	-
Total Equity	382,995	368,368	221,018	225,850
Total Liabilities and Equity	486,919	489,420	270,738	288,119

* Provision for reinstatement of leased premises.

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Condensed interim statements of changes in equity
For the six-month financial period ended 30 June 2023

Group	Attributable to owners of the Company						
	Share Capital S\$'000	Treasury Shares S\$'000	Reserves S\$'000	Retained Earnings S\$'000	Total S\$'000	Non-controlling Interests S\$'000	Total S\$'000
Balance at 1 January 2023	136,623	(891)	(16,814)	221,552	340,470	27,898	368,368
Changes in equity for first quarter							
Net profit for the period	-	-	-	17,359	17,359	321	17,680
Other comprehensive (loss)/income for the period- Exchange differences on translation of foreign operations	-	-	(747)	-	(747)	8	(739)
Total comprehensive (loss)/income for the quarter	-	-	(747)	17,359	16,612	329	16,941
Sale of treasury shares	-	746	-	1,146	1,892	-	1,892
Balance at 31 March 2023	<u>136,623</u>	<u>(145)</u>	<u>(17,561)</u>	<u>240,057</u>	<u>358,974</u>	<u>28,227</u>	<u>387,201</u>
Changes in equity for second quarter							
Net profit for the period	-	-	-	11,617	11,617	633	12,250
Other comprehensive loss for the period - Exchange differences on translation of foreign operations	-	-	(3,034)	-	(3,034)	(11)	(3,045)
Total comprehensive (loss)/income for the quarter	-	-	(3,034)	11,617	8,583	622	9,205
Dividend paid	-	-	-	(13,411)	(13,411)	-	(13,411)
As at 30 June 2023	<u>136,623</u>	<u>(145)</u>	<u>(20,595)</u>	<u>238,263</u>	<u>354,146</u>	<u>28,849</u>	<u>382,995</u>

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Condensed interim statements of changes in equity
For the six-month financial period ended 30 June 2023

	Attributable to owners of the Company						
	Share Capital S\$'000	Treasury Shares S\$'000	Foreign Exchange	Retained Earnings S\$'000	Total S\$'000	Non- controlling Interests S\$'000	Total S\$'000
			Translation Reserve S\$'000				
Group							
Balance at 1 January 2022	136,623	(2,064)	(11,665)	156,009	278,903	25,371	304,274
Changes in equity for first quarter							
Net profit for the period	-	-	-	19,371	19,371	1,318	20,689
Other comprehensive loss for the period- Exchange differences on translation of foreign operations	-	-	(319)	-	(319)	(17)	(336)
Total comprehensive (loss)/income for the quarter	-	-	(319)	19,371	19,052	1,301	20,353
Effect on non-controlling interests on acquisition of a subsidiary	-	-	-	(257)	(257)	(261)	(518)
Balance at 31 March 2022	<u>136,623</u>	<u>(2,064)</u>	<u>(11,984)</u>	<u>175,123</u>	<u>297,698</u>	<u>26,411</u>	<u>324,109</u>
Changes in equity for second quarter							
Net profit for the period	-	-	-	20,175	20,175	1,086	21,261
Other comprehensive loss for the period- Exchange differences on translation of foreign operations	-	-	(1,529)	-	(1,529)	(20)	(1,549)
Total comprehensive (loss)/income for the quarter	-	-	(1,529)	20,175	18,646	1,066	19,712
Dividend paid	-	-	-	(13,336)	(13,336)	-	(13,336)
Effect on non-controlling interests on acquisition of a subsidiary	-	-	-	(925)	(925)	(1,057)	(1,982)
As at 30 June 2022	<u>136,623</u>	<u>(2,064)</u>	<u>(13,513)</u>	<u>181,037</u>	<u>302,083</u>	<u>26,420</u>	<u>328,503</u>

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Condensed interim statements of changes in equity For the six-month financial period ended 30 June 2023

	Attributable to owners of the Company			
	Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Total S\$'000
Company				
Balance at 1 January 2023	136,623	(746)	89,973	225,850
Changes in equity for first quarter				
Net profit for the period	-	-	8,121	8,121
Total comprehensive expenses for the quarter	-	-	8,121	8,121
Sale of treasury shares	-	746	1,146	1,892
Balance at 31 March 2023	136,623	-	99,240	235,863
Changes in equity for second quarter				
Net loss for the period	-	-	(1,434)	(1,434)
Total comprehensive income for the quarter	-	-	(1,434)	(1,434)
Dividend paid	-	-	(13,411)	(13,411)
As at 30 June 2023	136,623	-	84,395	221,018

	Attributable to owners of the Company			
	Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Total S\$'000
Company				
Balance at 1 January 2022	136,623	(1,919)	87,526	222,230
Changes in equity for first quarter				
Net loss for the period	-	-	(949)	(949)
Total comprehensive income for the quarter	-	-	(949)	(949)
Balance at 31 March 2022	136,623	(1,919)	86,577	221,281
Changes in equity for second quarter				
Net profit for the period	-	-	24,111	24,111
Total comprehensive expenses for the quarter	-	-	24,111	24,111
Dividend paid	-	-	(13,336)	(13,336)
As at 30 June 2022	136,623	(1,919)	97,352	232,056

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Condensed interim consolidated cash flow statement For the six-month financial period ended 30 June 2023

	Group			
	2Q		6 Months Ended	
	30-Jun-23 S\$'000	30-Jun-22 S\$'000	30-Jun-23 S\$'000	30-Jun-22 S\$'000
Cash flows from operating activities				
Profit before income tax	13,814	26,903	33,756	52,317
Adjustments for:				
Depreciation expense	4,905	3,835	9,512	7,480
Property, plant and equipment written off	3	1	3	1
Write-back for inventories obsolescence	(35)	-	(79)	-
Allowance for inventories obsolescence	172	209	214	209
Gain on disposal of property, plant and equipment	(203)	(57)	(615)	(57)
Interest income	(265)	(60)	(425)	(109)
Interest expense	218	257	479	526
Amortisation of intangible assets	75	75	150	150
Unrealised foreign exchange (gain)/loss	(147)	71	202	17
Operating cash flows before working capital changes	18,537	31,234	43,197	60,534
Changes in working capital:				
Trade receivables and other current assets	11,410	(3,259)	18,200	(2,496)
Inventories	4,321	(13,072)	(1,904)	(13,654)
Trade and other payables	(4,748)	4,619	(8,672)	1,066
Cash generated from operations	29,520	19,522	50,821	45,450
Income tax paid	(5,236)	(2,841)	(5,703)	(4,036)
Net cash generated from operating activities	24,284	16,681	45,118	41,414
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	311	57	729	57
Purchase of property, plant and equipment (a)	(8,201)	(6,283)	(12,436)	(12,276)
Improvement to investment property	(29)	-	(29)	-
Proceeds from sale of quoted shares	-	-	121	-
Investment in quoted shares	-	(72)	-	(1,162)
Net cash outflow on investment in a subsidiary	-	(1,862)	-	(2,220)
Interest received	265	60	425	109
Net cash used in investing activities	(7,654)	(8,100)	(11,190)	(15,492)

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**Condensed interim consolidated cash flow statement
For the six-month financial period ended 30 June 2023**

	Group			
	2Q		6 Months Ended	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities				
Proceeds from bank borrowings	-	19,917	-	19,917
Repayment of bank borrowings	(633)	(15,649)	(10,267)	(24,922)
Interest paid	(114)	(146)	(271)	(301)
	(747)	(15,795)	(10,538)	(25,223)
Repayment of lease liabilities	(350)	(473)	(709)	(972)
Repayment to related party	(909)	-	(909)	-
Sale of treasury shares	-	-	1,892	-
Dividend paid	(13,411)	(13,336)	(13,411)	(13,336)
Net cash used in financing activities	(15,417)	(9,687)	(23,675)	(19,614)
Net increase/(decrease) in cash and cash equivalents	1,214	(1,106)	10,253	6,308
Net effect of exchange rate changes	186	(475)	157	(917)
Cash and cash equivalents at beginning of the period	70,682	72,060	61,672	65,086
Cash and cash equivalents at end of the period	72,082	70,479	72,082	70,477

The reconciliation of purchase of property, plant and equipment ("PPE") is presented below:

Note (a)	30-Jun-23	30-Jun-22
	S\$'000	S\$'000
<u>Purchase of property, plant and equipment</u>		
Total additions	15,435	12,276
Movement in downpayment to suppliers of PPE	(2,999)	-
Net cash outflow	12,436	12,276

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

1. Corporate information

UMS Holdings Limited (the “Company”) is a public limited company incorporated and domiciled in Singapore, and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The controlling shareholder of the Company is Mr Luong Andy.

The principal activity of the Company is investment holding. The principal activities of the Group are:

- (a) Manufacture of precision machining components, assembly and integration of equipment modules for semiconductor equipment manufacturers;
- (b) Precision engineering works for parts used mainly in the aerospace, oil and gas industries, and other general engineering and machinery work; and
- (c) Manufacture of water disinfection systems, trading of non-ferrous metal alloys and cutting tools.

2. Basis of Preparation

The condensed financial statements for the three month and half year ended 30 June 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the financial year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The financial statements, which are expressed in Singapore Dollar (“S\$”), are rounded to the nearest thousand dollar (S\$’000), except as otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In the application of the Group’s accounting policies, which are described in Note 3 to the consolidated financial statements (“Annual Report 2022”), management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

2. Basis of preparation (cont'd)

2.3 Use of judgements and estimates (cont'd)

(a) Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Useful lives of property, plant and equipment and investment property

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment and investment property. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment and investment property of a similar nature and function. It could change significantly as a result of technical innovations and competitor actions. Management will increase the depreciation charge where the useful lives are less than previously estimated, or it will write-off or write-down technically obsolete assets that have been abandoned or sold.

There is no change in the estimated useful lives of property, plant and equipment and investment property during the financial year. The carrying amounts of property, plant and equipment and investment property of the Group as at 30 June 2023 amounted to S\$138,613,000 (Dec 2022: S\$135,428,000) and S\$1,447,000 (Dec 2022: S\$1,497,000) respectively.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of loan and receivables

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("ECLs"). The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables according to historical loss patterns (e.g. customer rating or product or by geographical location) and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns. In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables and contract assets. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

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Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

2. Basis of preparation (cont'd)

2.3 Use of judgements and estimates (cont'd)

(b) Critical Judgements in applying Accounting Policies

In the process of applying the Group's accounting policies, the application of judgements that are expected to have a significant effect on the amounts recognised in the interim consolidated financial statements are discussed below.

Allowance for inventories obsolescence

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. The Group writes down the cost of inventories whenever the net realisable value of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price levels or other causes. Allowances are recorded against the inventories based on historical obsolescence of slow-moving inventories.

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Financial Information by Segments

The Group is organised into the following main **business segments**:

- (a) Semiconductor: Manufacture of precision machining components, assembly and integration of equipment modules for semiconductor equipment manufacturers;
- (b) Aerospace: Precision engineering works for parts used mainly in the aerospace, oil and gas industries, and other general engineering and machinery work; and
- (c) Others: Manufacture of water disinfection systems, trading of non-ferrous metal alloys and cutting tools.

Management monitors the operating results of its segments separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is monitored based on revenue and gross profit. Selling expenses, administrative expenses, finance costs, assets and liabilities are managed on a legal entity basis.

The Group operates in five principal **geographical regions** - Singapore, Malaysia, Taiwan, the United States of America ("USA") and Others. Other key geographical areas include People's Republic of China and South Korea. Sales to external parties in the individual country grouped under "others" did not contribute more than 5% of the total sales of the Group.

In presenting information on the basis of geographical segments, segment revenue is based on the countries of domicile of the customers. Segment assets are based on the geographical location of the assets.

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

4.1 Revenue by Business Segments and Geographical Areas

Revenue 6 Months 2023 vs 2022	Group		
	6 Months Ended		
	30-Jun-23 S\$'000	30-Jun-22 S\$'000	Change %
Business Segments			
Semiconductor (Semicon)	137,710	148,957	-8%
Aerospace	10,080	6,964	45%
Others	7,341	15,419	-52%
	155,131	171,340	-9%
Geographical Regions			
Singapore	109,784	117,027	-6%
United States of America ('US')	16,884	16,569	2%
Taiwan	15,071	17,050	-12%
Malaysia	4,889	10,140	-52%
Others	8,503	10,554	-19%
	155,131	171,340	-9%
Revenue 2Q2023 vs 2Q2022	Group		
	3 Months Ended		
	30-Jun-23 S\$'000	30-Jun-22 S\$'000	Change %
Business Segments			
Semiconductor (Semicon)	64,832	75,612	-14%
Aerospace	5,934	4,006	48%
Others	3,610	6,984	-48%
	74,376	86,602	-14%
Geographical Regions			
Singapore	50,469	59,357	-15%
United States of America ('US')	8,372	8,825	-5%
Taiwan	9,101	8,952	2%
Malaysia	1,830	4,882	-63%
Others	4,604	4,586	0%
	74,376	86,602	-14%

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Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

4.2 Business Segments

	Semiconductor		Aerospace		Others		Total	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
6 Months Ended 30 June 2023								
Group								
Sales to external parties	137,710	148,957	10,080	6,964	7,341	15,419	155,131	171,340
Segment results	32,911	47,740	434	876	411	3,701	33,756	52,317
Material non-cash items include:								
Depreciation expense	7,830	6,144	1,257	1,033	425	303	9,512	7,480
Allowance for inventories obsolescence	214	209	-	-	-	-	214	209
Write-back for inventories obsolescence	(79)	-	-	-	-	-	(79)	-
Property, plant and equipment written off (Gain)/loss on disposal of property, plant and equipment	3	1	-	-	-	-	3	1
	(246)	3	(369)	(60)	-	-	(615)	(57)
Disaggregation of revenue								
At a point in time - sales of goods	137,458	148,612	10,080	6,964	7,341	15,419	154,879	170,995
Over time - rental income	252	345	-	-	-	-	252	345
Total revenue	137,710	148,957	10,080	6,964	7,341	15,419	155,131	171,340

	Semiconductor		Aerospace		Others		Total	
	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total assets	707,279	722,694	47,673	49,887	53,995	58,256	808,947	830,837
Total liabilities	200,378	230,262	14,378	14,462	17,993	25,220	232,749	269,944
Group								
	30-Jun-23	31-Dec-22						
	S\$'000	S\$'000						
Total assets for reportable segments	808,947	830,837						
Elimination of inter-segment assets	(322,415)	(341,417)						
Total assets	486,532	489,420						
Total liabilities for reportable segments	232,749	269,944						
Elimination of inter-segment liabilities	(129,212)	(148,892)						
Total liabilities	103,537	121,052						

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

4.3 Geographical Segments

Group	Singapore		USA		Taiwan		Malaysia		Others		Total	
	<u>30-Jun-23</u>	<u>30-Jun-22</u>	<u>30-Jun-23</u>	<u>30-Jun-22</u>	<u>30-Jun-23</u>	<u>30-Jun-22</u>	<u>30-Jun-23</u>	<u>30-Jun-22</u>	<u>30-Jun-23</u>	<u>30-Jun-22</u>	<u>30-Jun-23</u>	<u>30-Jun-22</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
6 Months Ended 30 June 2023												
Group												
Sales to external parties	109,784	117,027	16,884	16,569	15,071	17,050	4,889	10,140	8,503	10,554	155,131	171,340
Other geographical information:												
Non-current assets:												
Property, plant and equipment	77,792	79,813	85	90	-	-	60,736	55,525	-	-	138,613	135,428
Investment property	1,447	1,497	-	-	-	-	-	-	-	-	1,447	1,497
Intangible asset	1,750	1,900	-	-	-	-	-	-	-	-	1,750	1,900
Goodwill	84,765	84,765	1,586	1,586	-	-	-	-	-	-	86,351	86,351
Right-of-use assets	10,342	10,675	118	187	-	-	324	90	-	-	10,784	10,952

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

5. Financial Assets and Financial Liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2023 and 31 December 2022:

	Group		Company	
	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
Group				
<u>Financial assets</u>				
Trade receivables and other current assets (excluding prepayments and advance to suppliers)	43,348	51,362	955	17,707
Financial assets through profit and loss	846	967	846	967
Loan to subsidiary	-	-	5,313	5,486
Cash and bank balances	72,082	61,672	340	1,073
	<u>116,276</u>	<u>114,001</u>	<u>7,454</u>	<u>25,233</u>
<u>Financial liabilities</u>				
Bank borrowings	19,642	29,910	-	9,000
Loans from related parties	-	909	-	-
Trade and other payables (excluding contract liabilities)	48,108	56,048	49,720	53,269
Lease liabilities	10,164	10,187	-	-
	<u>77,914</u>	<u>97,054</u>	<u>49,720</u>	<u>62,269</u>

6. Profit before tax

6.1 Net finance expense

	Group					
	2Q			6 Months Ended		
	30-Jun-23	30-Jun-22	Change	30-Jun-23	30-Jun-22	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Group						
<u>Interest income</u>						
- from cash and cash equivalents	265	60	342%	425	109	290%
<u>Interest expense</u>						
- on lease liabilities and hire purchases	(102)	(101)	1%	(202)	(208)	-3%
- on bank borrowings	(111)	(146)	-24%	(265)	(301)	-12%
- on loans from related parties	(5)	(8)	-38%	(12)	(17)	-29%
Net finance expense	<u>47</u>	<u>(195)</u>	<u>N.M.</u>	<u>(54)</u>	<u>(417)</u>	<u>-87%</u>

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

**Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2023**

6. Profit before tax (cont'd)

6.2 Other expenses:

	Group					
	2Q			6 Months Ended		
	30-Jun-23	30-Jun-22	Change	30-Jun-23	30-Jun-22	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Legal and professional fees	(1,676)	(1,488)	13%	(2,476)	(2,207)	12%
Utilities	(2,248)	(1,597)	41%	(4,414)	(3,019)	46%
Freight charges	(352)	(596)	-41%	(969)	(1,292)	-25%
Insurance	(189)	(207)	-9%	(379)	(383)	-1%
Upkeep of properties and equipment	(427)	(298)	43%	(890)	(730)	22%
Upkeep of machinery	(903)	(564)	60%	(1,983)	(1,089)	82%
Others	(982)	(782)	26%	(2,006)	(1,644)	22%
	(6,777)	(5,532)	23%	(13,117)	(10,364)	27%

6.3 Other Credits / (Charges)

	Group					
	2Q			6 Months Ended		
	30-Jun-23	30-Jun-22	Change	30-Jun-23	30-Jun-22	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Foreign exchange gain - net	273	1,729	-84%	65	2,238	-97%
Gain on disposal of property, plant and equipment	203	57	256%	615	57	979%
Property, plant & equipment written off	(3)	(1)	200%	(3)	(1)	200%
Write Back for stock obsolescence	35	-	N.M.	79	-	N.M.
Allowance for stock obsolescence	(172)	(209)	-18%	(214)	(209)	2%
Others	27	43	-37%	103	404	-75%
	363	1,619	-78%	645	2,489	-74%

6.4 Related Party Transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

7. Income Tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group					
	2Q			6 Months Ended		
	30-Jun-22 S\$'000	30-Jun-22 S\$'000	Change %	30-Jun-22 S\$'000	30-Jun-22 S\$'000	Change %
Income tax:						
- Current	(1,586)	(5,642)	-72%	(3,868)	(10,295)	-62%
- Prior years	22	-	N.M	42	(72)	N.M
	(1,564)	(5,642)	-72%	(3,826)	(10,367)	-63%

8. Dividends

	Group and Company	
	30-Jun-23 S\$'000	30-Jun-22 S\$'000
Cash dividend on ordinary shares declared and paid/payable		
- Interim (one-tier) dividend	13,411	13,336
Total	13,411	13,336

Tax consequences of proposed dividends

The above-mentioned proposed dividends to the shareholders by the Company have no income tax consequences.

9. Net Assets Value

	Group		Company	
	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
Net asset value per ordinary share based on total number of issued shares (excluding treasury shares)	52.82 cents	50.89 cents	32.96 cents	33.76 cents
Total number of issued shares (excluding treasury shares)	670,535,941	669,078,641	670,535,941	669,078,641

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

10 Fair value measurement

(i) Fair value of financial instruments

Fair value is defined as the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted prices, discounted cash flow models and option pricing models as appropriate.

The Group presents financial assets measured at fair value and classified by level of the following fair value measurement hierarchy:

- a. Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- b. Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (i.e. derived from prices); and
- c. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(ii) Fair Value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The carrying amounts of financial assets and financial liabilities with a maturity of less than one year (including cash and bank balances, trade receivables and other current assets, loan to subsidiaries, bank borrowings, trade and other payables, loans from related parties and lease liabilities) approximate their fair values due to the relatively short-term maturity of these financial instruments.

The carrying amounts of loans from related parties and lease liabilities approximate their fair values as they are subject to interest rates close to market rates of interest for similar arrangement with financial institutions.

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

11. Intangible assets

	Goodwill	Group Customer Relationship	Total
	S\$'000	S\$'000	S\$'000
Cost:			
At 1 January 2023 and 30 June 2023	88,469	2,400	90,869
Accumulated amortisation			
At 1 January 2023	-	(500)	(500)
Amortisation for the period	-	(150)	(150)
At 30 June 2023	-	(650)	(650)
Accumulated impairment			
At 1 January 2023 and 30 June 2023	(2,118)	-	(2,118)
Net book value:			
At 31 Dec 2022	86,351	1,900	88,251
At 30 June 2023	86,351	1,750	88,101

The Group performed its annual impairment test in December and when circumstances indicated that the carrying value may be impaired. The Group's impairment test for goodwill with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2022.

The customer relationship arose from the acquisition of JEP Holdings Ltd and its subsidiary. The amortisation period of the customer relationship is eight years (2028 - 8 years). The amortisation of customer relationship will be included in the consolidated statement of profit or loss and other comprehensive income. In the opinion of the directors of the Group, there is no indication that the recorded book value cannot be recovered from the business operations in the future periods.

12. Property, plant and equipment

During the financial period, the Group acquired assets amounting to S\$12,436,000 (30.06.2022: S\$12,276,000) respectively. The Company did not acquire any assets during financial period 30 June 2023 and 30 June 2022.

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2023

13. Investment property

	Group	
	<u>30-Jun-23</u>	<u>31-Dec-22</u>
	S\$'000	S\$'000
<u>Cost</u>		
At the beginning of the period/year	4,098	4,098
Additions	29	-
At the end of the period/year	<u>4,127</u>	<u>4,098</u>
<u>Accumulated depreciation</u>		
At the beginning of the period/year	2,601	2,441
Depreciation for the period/year	79	160
At the end of the period/year	<u>2,680</u>	<u>2,601</u>
<u>Net book value</u>		
At the end of the period/year	<u>1,447</u>	<u>1,497</u>

Investment property relates to the leasehold property at 25 Changi North Crescent, Singapore 499617 held by a subsidiary under an operating lease to earn rental income.

The tenure of the leasehold property is a 30-year lease from 1 February 2003.

The estimated fair value of the leasehold property amounted to S\$6,600,000 (Dec 2022: S\$6,600,000), classified under Level 2 of the fair value hierarchy, as determined on the basis of management's review of similar properties in the market as at 31 December 2022. The key input applied in the estimation of the investment property is unit price per square foot. There has been no change to the valuation technique during the current financial period.

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

**Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2023**

14. Borrowings and Loan from Related Parties

	<u>Group</u>		<u>Company</u>	
	<u>30-Jun-23</u>	<u>31-Dec-22</u>	<u>30-Jun-23</u>	<u>31-Dec-22</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Secured				
Term loans – non-current (a)	17,086	18,361	-	-
Term Loans – current (a)	2,556	2,549	-	-
	19,642	20,910	-	-
Unsecured				
Short term bank loan - current (b)	-	9,000	-	9,000
Loan from related parties				
- Current (c)	-	909	-	-
	19,642	30,819	-	9,000

- (a) Secured term loans amounting to S\$19.6 million are secured by the property, plant and equipment of subsidiaries.
- (b) The unsecured bank loan bears fixed interest at 4.09% - 4.19% per annum and with a maturity period of less than three months in previous year and have been fully repaid during the period.
- (c) The loans from related parties bear interest at 2.50% (2022: 2.50%) per annum and relates to an amount owing by a subsidiary to a director and a former director. The loan was fully repaid during the period.

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2023

15. Share Capital

	<u>30-Jun-23</u>		<u>31-Dec-22</u>	
	No. of ordinary shares	S\$'000	No. of ordinary shares	S\$'000
Group and Company				
Issued and fully paid:				
At the beginning and end of the period/year	670,535,941	136,623	670,535,941	136,623

15.1 Treasury shares

	<u>30-Jun-23</u>		<u>31-Dec-22</u>	
	No. of ordinary shares	S\$'000	No. of ordinary shares	S\$'000
Group				
At the beginning of the period/year	2,122,137	891	4,414,837	2,064
Sold during the period/year	(1,457,300)	(746)	(2,292,700)	(1,173)
At the end of the period/year	664,837	145	2,122,137	891

	<u>30-Jun-23</u>		<u>31-Dec-22</u>	
	No. of ordinary shares	S\$'000	No. of ordinary shares	S\$'000
Company				
At the beginning of the period/year	1,457,300	746	3,750,000	1,919
Sold during the period/year	(1,457,300)	(746)	(2,292,700)	(1,173)
At the end of the period/year	-	-	1,457,300	746

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

**Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2023**

16. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Other Information Required by Listing Rule Appendix 7.2

**Other information required by Listing Rule Appendix 7.2
For the six-month financial period ended 30 June 2023**

Other Information

1. Review

The interim condensed consolidated balance sheet of UMS Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) as at 30 June 2023 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month financial period ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

2. Review of performance of the Group

Condensed Consolidated Statement of Profit or Loss and other comprehensive Income

Revenue

2QFY2023

Group revenue decrease 14% to S\$74.4 million compared to S\$86.6 million in the previous corresponding quarter. The lower revenue was due to weaker performances of both the Semiconductor and Others businesses, partially offset by improved sales from its Aerospace segment.

Revenue in the Semiconductor segment fell 14% as global semiconductor demand remained soft while revenue in Others plunged 48% mainly due to the weaker material and tooling distribution business affected by the general business slowdown.

Aerospace sales, however, soared 48% - propelled by the robust recovery of the global aerospace industry.

Compared to 1QFY2023, Group revenue eased just 8% as sales in the Semiconductor and Others segments dipped by 11% and 3% respectively while Aerospace sales climbed 43%.

The decline in Semiconductor revenue was due to a 29% drop in component sales (from S\$43.6 million in 2QFY2022 to S\$31.0 million in 2QFY2023) caused mainly by the weaker demand from back-end semiconductor customers. The Group’s Semiconductor Integrated System sales continued to do well - increasing 6% from S\$32.0 million in 2Q2022 to S\$33.8 million in 2Q2023.

All the Group’s key geographical markets posted lower sales in 2QFY2023 - except for Taiwan which reported 2% sales improvement due mainly to higher component spares sales.

US revenue edged down 5% as component sales for new equipment eased.

Sales in Singapore dropped 15% on the back of lower semiconductor backend related component sales.

Revenue from Malaysia shrank 63% due to weaker demand for its material and tooling distribution business.

Sales in the "Others" markets remained stable.

1HFY2023

Group revenue dipped 9% to S\$155.1 million from S\$171.3 million.

Other information required by Listing Rule Appendix 7.2
For the six-month financial period ended 30 June 2023

Compared to 1HFY2022, Semiconductor sales eased 8% to S\$137.7 million from S\$149 million while revenue in aerospace climbed 45% to about S\$10.1 million from \$7.0 million. Sales in Others segment dived 52% to S\$7.3 million from S\$15.4 million in the previous half year.

Semiconductor Integrated System sales grew 21% to S\$74.7 million in 1HFY2023 from S\$61.9 million in 1HFY2022. Component sales however fell 28% to S\$63 million from S\$87.1 million in 1HFY2022.

All of the Group's key geographical markets, except for the USA, posted softer sales in 1HFY2023.

US sales improved slightly by 2% in the first half of the year while revenue in Singapore, Taiwan, Malaysia and Others declined 6%, 12%, 52% and 19% respectively.

**Other information required by Listing Rule Appendix 7.2
For the six-month financial period ended 30 June 2023**

2. Review of the performance of the Group (cont'd)

Profitability

2QFY2023

The Group remained profitable in 2QFY2023.

Its 2QFY2023 pre-tax profit fell 49% to S\$13.8 million from S\$26.9 million in 2QFY2022, while both net profit and net profit attributable to shareholders dropped 42% to S\$12.3 million and S\$11.6 million respectively.

The Group's gross material margin edged down to 46.3% from 51.7% in 2QFY2022 - mainly due to the weaker USD and lower machine utilisation rates.

The Group's bottom-line was also affected by higher expenses and lower other credit contributions.

Depreciation expenses rose 28% due mainly to additional fixed assets. Other expenses also went up 23% during the quarter. Machinery upkeep jumped 60% arising from more maintenance work. Utilities and professional fees increased 41% and 13% respectively.

Other credits plunged 78% compared to 2QFY2022 - due mainly to the lower foreign exchange gain which was partially offset by a higher gain from fixed asset disposal during the quarter.

The Group also benefitted from reductions in personnel costs, income tax and freight charges from lower material purchases during the quarter.

The Group incurred lower income tax provision after the reinstatement of pioneer status for one of its subsidiaries in Malaysia.

1HFY2023

Group pre-tax profit fell 35% to S\$33.8 million in 1HFY2023 from S\$52.3 million in 1HFY2022.

Group net profit and net attributable profit also declined 29% and 27% respectively to S\$29.9 million and S\$29.0 million respectively during the period under review.

Gross material margins in 1HFY2023 eased to 48.3% compared to 51.6% in 1HFY2022. The decline was mainly due to lower USD/SGD exchange rates and machine utilization.

The reasons for the Group's lower bottom line in the first half of FY2023 are the same as for 2QFY2023 highlighted above.

Other information required by Listing Rule Appendix 7.2
For the six-month financial period ended 30 June 2023

2. Review of the performance of the Group (cont'd)

Condensed Consolidated Balance Sheet

Cash and Bank Balances / Bank borrowings

The net increase in cash and cash equivalents by S\$20.7 million (after netting-off bank borrowings) was mainly due to net cash generated from operating activities partially offset by purchase of property, plant and equipment and payment of dividends during the period.

Trade and other receivables

Trade receivables and other current assets decreased by S\$17.8 million mainly due to lower sales and lesser advance payment to suppliers.

Trade and other payables

Trade and other payables decreased by S\$4.5 million mainly due to lower material purchases.

Other information required by Listing Rule Appendix 7.2
For the six-month financial period ended 30 June 2023

2. Review of the performance of the Group (cont'd)

Condensed Consolidated Cash Flow Statement

2QFY2023

The Group's financial position stayed healthy - registering S\$24.3 million positive net cash from operating activities (vs S\$16.7million in 2QFY2022) and S\$16.4 million free cash flow in 2QFY2023 (vs \$10.5 million in 2QFY2022).

The Group improved its cash position even after repayment of bank loans, clearing off its balance shareholder loan as well as paying more dividends to shareholders.

The Group paid out \$13.4million in dividends during the quarter.

Its net cash surged by S\$20.7 million to S\$52.4 million as at end June 2023 (vs S\$31.8 million as at end December 2022).

In view of the Group's improved financial position, the Board has proposed to reward shareholders with an interim tax-exempt dividend of 1.2 cent per share - up from 1 cent per share given in the previous quarter.

1HFY2023

The Group continued to generate strong cashflow from operations in the first half of this year.

Cash from operations continued to grow - hitting its highest ever first half year record of S\$45.1 million, up from the peak of S\$41.4 million in 1HFY2022.

Free cash flow also surpassed S\$30 million to hit a new first half year record of S\$33.4 million (vs S\$29.2 million in 1HFY2022).

Group cash and cash equivalents also improved to S\$72.1 million at 30 June 2023 as compared to S\$61.7 million as at end December 2022.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The current announced results are in line with the general prospect commentary previously disclosed to shareholders in the previous announcement made on 10 May 2023.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

The Group's profitable first half performance reflected UMS' resilience and success of its strategic business diversification into the aerospace industry which is now flying high on the robust recovery in air travel worldwide.

While both our top and bottom line performances were impacted by the tough global economic conditions and ongoing geopolitical pressures which dampened market demand for semiconductors, particularly among the backend semiconductor customers, our overall performance benefitted from sustained demand in the front-end semiconductor sector and stronger contributions from our aerospace business.

Moving into third quarter 2023, we expect global challenges in the global semiconductor sector to persist although there are signs that demand may have generally bottomed out in 2Q. Foundry expansion may see some delay as global chipmakers are taking a more cautious approach and giving lower revenue guidance in the coming months.

Our key customer has shared it expects to outperform its markets in 2023.

The Group's outlook is further enhanced as it has successfully renewed the Integrated System contract with its existing customer till end 2025 and the Group has also received an in-principle agreement with its new customer for a three-year contract with a renewal option.

The Group's expansion plans are also on track with its new Penang facilities scheduled for volume production in September 2023. The production ramp-up will enable the Group to take on new orders from its new customer which is estimated to reach at least US\$30 million next year.

Longer term prospects remain robust. According to SEMI, global 300mm fab equipment spending for front-end facilities next year is expected to begin a growth streak to hit a US\$119 billion record high in 2026 following a decline in 2023. Strong demand for high-performance computing, automotive applications and improved demand for memory will fuel double-digit spending in equipment investments over the three-year period.

After the projected 18% drop to US\$74 billion this year, global 300mm fab equipment spending is forecast to rise 12% to US\$82 billion in 2024, 24% to US\$101.9 billion in 2025 and 17% to US\$118.8 billion in 2026.¹

**Other information required by Listing Rule Appendix 7.2
For the six-month financial period ended 30 June 2023**

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months (cont'd)

The Group's expansion plans are also on track with its new Penang facilities scheduled for production by September this year. This will further position the Group well to take on new orders from potential new customers which are expanding in South-east Asia. Several global semiconductor equipment makers have announced multi-billion-dollar expansion plans in Singapore and the region.

In addition, the Group, which has clocked in much better aerospace sales in the first half of the year, is well-poised to seize new growth opportunities as the global aviation industry takes flight on the wings of robust recovery in air travel demand.

According to IATA, the demand for air travel is expected to double by 2040, growing at an annual average rate of 3.4%. Origin-destination passengers are projected to increase from around 4 billion in 2019 to just over 8 billion at the end of 2040.²

While these trends bode well for the Group, the Board will stay vigilant and prudent to manage market uncertainties and risks from rising inflation and ongoing geopolitical tensions.

In terms of corporate achievements, the Group is pleased that it is named for the second consecutive year - as one of 7 Singapore top-performing companies on Forbes Asia's Best Under a Billion List (2023). UMS first made it to the coveted list last year.

In view of the Group's commendable results, the Board has proposed an interim dividend of 1.2 cent to reward shareholders.

Barring any unforeseen circumstances, the Group will stay profitable for FY2023.

[¹Source: Global 300mm Fab Equipment Spending Forecast to Reach Record \$119 Billion in 2026, SEMI Reports - <https://www.semi.org/en/news-media-press-releases/semi-press-releases/global-300mm-fab-equipment-spending-forecast-to-reach-record-%24119-billion-in-2026-semi-reports>

[²Source: IATA: Global Outlook for Air Transport - <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport----june-2023/>]

**Other information required by Listing Rule Appendix 7.2
For the six-month financial period ended 30 June 2023**

5. Dividend information

a. Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

Yes

Name of Dividend	Proposed Interim Dividend
Dividend Type	Cash
Dividend Amount (SGD)	1.2 cent per ordinary share, (tax exempt one-tier)
Tax rate	Not applicable

b. Corresponding period of the immediately preceding financial year.

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Proposed Interim Dividend
Dividend Type	Cash
Dividend Amount (SGD)	1.0 cent per ordinary share, (tax exempt one-tier)
Tax rate	Not applicable

c. Date payable

26 October 2023.

d. Record date

NOTICE IS HEREBY GIVEN THAT the Share Transfer Books and Register of Members of the Company will be closed on 13 October 2023, for the purpose of determining members' entitlements to the Second Interim Dividend of 1.2 cent per ordinary share (tax-exempt one-tier) for the financial year ending 31 December 2023.

Duly completed registrable transfers received by the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., 30 Cecil Street #19-08 Prudential Tower Singapore 049712 up to the close of business at 5.00 p.m. on 12 October 2023 will be registered before entitlement to the Second Interim Dividend is determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 12 October 2023 will be entitled to the Second Interim Dividend.

**Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2023**

6. Interested person transactions

The Group does not have a general mandate for interested person transactions. The aggregate value of the interested person transactions conducted during the six-month financial period ended 30 June 2023 is disclosed below

Name of interested person	Nature of Relationship	6 Months Period Ended 30 June 2023 Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual) S\$'000
<p>Sure Achieve Consultant Pte Ltd</p> <p>Consultancy Services charges and commission</p>	<p>Transaction above is with Sure Achieve Consultant Pte Ltd in which Mrs. Sylvia SY Lee Luong is a director and shareholder. She is the wife of the CEO of the Group, Mr. Luong Andy.</p> <p>The aggregate value of IPT entered into between the Group and Sure Achieve Consultant Pte Ltd amounted to S\$2,092,000 which represents approximately 0.75% of the Group's latest audited net tangible assets as at 31 December 2022.</p>	<p>2,092</p>

UMS HOLDINGS LIMITED AND ITS SUBSIDIARIES

**Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2023**

7. Negative confirmation pursuant to Rule 705 (5)

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the 2Q2023 and the period ended 30 June 2023 financial results to be false or misleading in any material respect.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

BY ORDER OF THE BOARD

**Luong Andy
Chief Executive Officer**

14 August 2023