

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 OCTOBER 2021 ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date	Preceding Year Corresponding Period
	31.10.2021	31.10.2020	31.10.2021	31.10.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	75,255	71,500	75,255	71,500
Other operating income	1,193	991	1,193	991
	<u>76,448</u>	<u>72,491</u>	<u>76,448</u>	<u>72,491</u>
Changes in inventories of finished goods and work-in-progress	3,947	2,950	3,947	2,950
Raw materials and consumables used	(25,969)	(24,808)	(25,969)	(24,808)
Staff costs	(12,931)	(9,084)	(12,931)	(9,084)
Depreciation expenses	(3,644)	(4,090)	(3,644)	(4,090)
(Impairment losses)/ Reversal of impairment losses in trade and other receivable	(46)	18	(46)	18
Other operating expenses	(7,733)	(8,752)	(7,733)	(8,752)
Shares of result of an associate	(7)	-	(7)	-
Profit from operations	<u>30,065</u>	<u>28,725</u>	<u>30,065</u>	<u>28,725</u>
Finance costs	(66)	(68)	(66)	(68)
Profit before tax	<u>29,999</u>	<u>28,657</u>	<u>29,999</u>	<u>28,657</u>
Taxation	(6,959)	(6,949)	(6,959)	(6,949)
Profit for the financial period	<u>23,040</u>	<u>21,708</u>	<u>23,040</u>	<u>21,708</u>
Profit attributable to:				
Owners of the parent	23,043	21,708	23,043	21,708
Non-controlling interests	(3)	-	(3)	-
	<u>23,040</u>	<u>21,708</u>	<u>23,040</u>	<u>21,708</u>
Earnings per share attributable to owners of the parent:				
Basic ⁽²⁾ (sen)	<u>2.09</u>	<u>3.95</u>	<u>2.09</u>	<u>3.95</u>
Diluted ⁽³⁾ (sen)	<u>2.09</u>	<u>3.94</u>	<u>2.09</u>	<u>3.94</u>

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UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 OCTOBER 2021 ⁽¹⁾ (Cont'd)

Notes:

- (1) The Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2021 and the accompanying explanatory notes attached to the interim financial report.
- (2) Based on weighted average number of ordinary shares outstanding during the period under review.
- (3) Based on weighted average number of ordinary shares outstanding during the period under review adjusted for the effects of dilutive potential ordinary shares.

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UWC BERHAD
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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2021 ⁽¹⁾

	Unaudited as at 31 October 2021	Audited as at 31 July 2021
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	122,526	109,325
Right-Of-Use Assets	17,763	17,306
Investment in associate	81	88
Current assets		
Inventories	56,509	53,412
Trade and other receivables	107,264	86,685
Marketable securities	17,349	19,697
Contract assets	156	54
Current tax assets	1,311	1,159
Cash and bank balances	41,160	71,699
TOTAL ASSETS	<u>364,119</u>	<u>359,425</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	116,364	116,364
Reserves	193,004	188,342
	<u>309,368</u>	<u>304,706</u>
Non-controlling interest	74	77
TOTAL EQUITY	<u>309,442</u>	<u>304,783</u>
Non-current liabilities		
Borrowings	786	1,133
Lease Liabilities	3,605	3,288
Government grants	2,090	2,384
Deferred tax liabilities	7,886	7,516
Current liabilities		
Trade and other payables	29,654	31,011
Borrowings	1,396	1,497
Lease Liabilities	619	397
Government grants	1,178	1,178
Current tax liabilities	7,463	6,238
TOTAL LIABILITIES	<u>54,677</u>	<u>54,642</u>
TOTAL EQUITY AND LIABILITIES	<u>364,119</u>	<u>359,425</u>

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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2021 ⁽¹⁾
(Cont'd)

Note:

- (1) The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2021 and the accompanying explanatory notes attached to the interim financial report.

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UWC BERHAD
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UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 OCTOBER 2021 ⁽¹⁾

	← Attributable to owners of the Company →					
	<u>Non-distributable</u>		<u>Distributable</u>			
	Share capital	Reorganisation debit reserve	Retained earnings	Total	Non- controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 August 2021	116,364	(56,226)	244,568	304,706	77	304,783
Profit for the financial period	-	-	23,043	23,043	(3)	23,040
Total comprehensive income	-	-	23,043	23,043	(3)	23,040
Transactions with owners:						
Dividend paid	-	-	(18,381)	(18,381)	-	(18,381)
Total transactions with owners	-	-	(18,381)	(18,381)	-	(18,381)
Balance as at 31 October 2021	116,364	(56,226)	249,230	309,368	74	309,442

Note:

- (1) The Unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2021 and the accompanying explanatory notes attached to the interim financial report.

UWC BERHAD
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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 OCTOBER 2021 ⁽¹⁾

	3-months ended 31 October 2021 RM'000	3-months ended 31 October 2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	29,999	28,657
Adjustments for:		
Amortisation of government grants	(294)	(294)
Allowance/ (Reversal of allowance) for impairment loss	46	(18)
Depreciation of property, plant and equipment	3,416	3,926
Depreciation of right-of-use assets	228	164
Loss on fair value adjustment on marketable securities	48	-
Finance costs	66	68
Interest income	(110)	(242)
Gain on disposal of property, plant and equipment	(189)	(135)
Share of loss of an associate	7	-
Operating profit before changes in working capital	<u>33,217</u>	<u>32,126</u>
Increase in inventories	(3,097)	(2,991)
(Increase)/ Decrease in trade and other receivables	(20,625)	8,835
Increase in contract assets	(102)	(544)
Decrease in trade and other payables	<u>(1,358)</u>	<u>(2,372)</u>
Cash generated from operations	8,035	35,054
Interest paid	(19)	(36)
Tax paid	<u>(5,514)</u>	<u>(3,616)</u>
Net cash from operating activities	<u>2,502</u>	<u>31,402</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of marketable securities	2,300	-
Interest received	110	242
Proceeds from disposal of property, plant and equipment	390	135
Proceeds from subscription of equity interest by non-controlling interest	-	80
Purchase of property, plant and equipment	<u>(16,818)</u>	<u>(4,675)</u>
Net cash used in investing activities	<u>(14,018)</u>	<u>(4,218)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(18,381)	(11,004)
Repayment of:		
- Lease liabilities	(194)	(121)
- Term loans	<u>(448)</u>	<u>(573)</u>
Net cash used in financing activities	<u>(19,023)</u>	<u>(11,698)</u>
Net (decrease)/ increase in cash and cash equivalents	(30,539)	15,486
Cash and cash equivalents at beginning of financial year	<u>71,699</u>	<u>57,812</u>
Cash and cash equivalents at end of financial period	<u><u>41,160</u></u>	<u><u>73,298</u></u>

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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 OCTOBER 2021 ⁽¹⁾ (Cont'd)

Note:

- (1) The Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2021 and the accompanying explanatory notes attached to the interim financial report.

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A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report of UWC Berhad (“**UWC**” or the “**Company**”) and its subsidiaries (collectively, the “**Group**”) is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“**MFRS**”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“**MASB**”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”).

This interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 July 2021 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation applied by the Group’s in these unaudited interim financial statements are consistent with those adopted in audited financial statements for the financial year ended 31 July 2021, except for the adoption of the following MFRSs and Amendment to MFRSs and IC Interpretation.

(a) New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (‘MASB’) for annual financial periods beginning on or after 1 January 2021:

Title	Effective Date
Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021
Amendment to MFRS 16 Leases Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021

There is no material impact upon the adoption of the above Standards during the financial period.

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A2. Significant Accounting Policies (Cont'd)

(b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2022.

The Standards that are issued but not in effect up to the date of issuance of financial statements of the Group are disclosed below. The Group intend to adopt these Standards, if applicable, when they become effective.

Title	Effective Date
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2023
Definition Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 July 2021.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical trend during the current quarter and financial period under review.

A5. Material Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial period under review.

A6. Material Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter and financial period under review.

A7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter and financial period under review.

A8. Dividend Paid

An interim dividend of 1.67 sen per ordinary share amounting to RM18.4 million for the financial year ending 31 July 2021 was paid on 8 October 2021.

A9. Segmental Information

The Group is principally involved in investment holding, provision of precision sheet metal fabrication and value-added assembly services, and the provision of precision machined components.

For management purposes, the Group is organised into business units based on its products and services, which comprise the following:

- Segment I – Investment Holding;
- Segment II – Provision of precision sheet metal fabrication and value-added assembly services, and the provision of precision machined components.

The reportable segments of the Group's revenue are disaggregated by industries as follows:

- (a) Semiconductor industry;
- (b) Life science and medical technology industry;
- (c) Heavy duty industry; and
- (d) Others industry.

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A9. Segmental Information (Cont'd)

The Group's segmental information for the current quarter and financial period under review are as follows:

Cumulative quarter ended 31 October 2021	Segment I	Segment II					Aggregate Total RM'000	Eliminations RM'000	Consolidated RM'000
	Investment Holding RM'000	Semiconductor RM'000	Life science and medical technology RM'000	Heavy duty RM'000	Others RM'000	Total RM'000			
Results									
Revenue from external customers	-	57,884	12,778	198	4,395	75,255	75,255	-	75,255
Inter-segment revenue	-	13,203	-	-	-	13,203	13,203	(13,203)	-
Total revenue	-	71,087	12,778	198	4,395	88,458	88,458	(13,203)	75,255
Interest income	53					57	110	-	110
Interest expense	-					(68)	(68)	2	(66)
Net Interest income	53					(11)	42	2	44
Segment profit before tax	(43)					30,083	30,040	(41)	29,999

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A10. Material Events Subsequent to the end of the Quarter

Save as disclosed in Note B6 on the Status of Corporate Proposals, there were no other material events subsequent to the end of the current quarter and financial period under review that have not been reflected in the interim financial report.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter and financial period under review.

A12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets as at the date of this interim financial report.

A13. Material Capital Commitment

Save as disclosed below, as at 31 October 2021, the Group does not have any other material capital commitment:

	RM'000
Capital expenditure in respect of purchase of property, plant and equipment	
- Approved and contracted for	21,328
- Approved but not contracted for	-
Total	21,328

A14. Significant Related Party Transactions

There were no significant related party transactions during the current quarter under review.

A15. Fair Value of Financial Liabilities

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current quarter and financial period under review.

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B. EXPLANATORY NOTES PURSUANT TO PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

Comparison with the corresponding period in the previous financial year

The Group's revenue for the current quarter was RM75.3 million, representing a growth of 5.3% from RM71.5 million achieved in the corresponding quarter of the previous year. The increase was attributed to the continued demand from the Group's global customers in the semiconductor industry. The Group's strategy was to gradually exit from the heavy-duty business in order to dedicate capacity to the more profitable and higher margin segments.

Profit before tax ("PBT") increased to RM30.0 million, which was a jump of 4.7% from RM28.7 million recorded in the same quarter of the preceding year. The growth was mainly from developments in the semiconductor, which contributed 76.9% of the total revenue. The minimal marginal dip in PBT margin was due to higher staff costs as a result of increase in headcount in relation to our corporate expansion plan. Other operating income reported an increase in current quarter due to hiring incentive received through UWC's participation in JomKerja@NCER programme introduced by Northern Corridor Implementation Authority (NCIA) and Malaysia's Short-Term Economic Recovery Plan (PENJANA) as we provide employment opportunities to the unemployed graduates and retrenched workers.

B2. Comparison with Immediate Preceding Quarter

The Group's revenue for the quarter under review of RM75.3 million was 17.7% higher as compared to the revenue registered in the immediate preceding quarter of RM63.9 million, which was mainly due to the higher sales achieved by the semiconductor segment in the current quarter. During the immediate preceding quarter, the Group only can operate under approved capacity level allowed by Malaysian Government in relation to the nationwide Movement Control Order 3.0 and there were logistical challenges for certain semiconductor equipment. Nonetheless, the Group was allowed to operate at full capacity effective from 20 August 2021 following the nationwide immunisation programme where more than 90% of our workforce has been fully vaccinated from the PIKAS programme by August. As a result, this has contributed to the higher revenue generated during the quarter upon the permitted full capacity workforce.

The Group recorded PBT of RM30.0 million, an increase of 25.5% from RM23.9 million recorded in the immediate preceding quarter, in tandem with higher revenue recorded. The higher profit, which was driven by the increase in revenue of semiconductor by 22.0%, was partially offset by the rise in other operating expenses due to initial set up cost incurred on the new plant in Taiping as well as staff cost incurred due to increase in headcount as part of the Group's expansion plan.

B3. Prospects

UWC is optimistic of the prospects of the business and industries in which it is operating in for the coming years, where both semiconductor and life science industries demonstrated resilience during the global disruption. As the country is still fighting the Covid-19 pandemic that has enormously affected the psychological well-being, social and working life of the people, UWC has continuously taken effort and committed to support and care for the safety and health of the employees, as well as to sustain business and operation continuity.

Based on the latest World Semiconductor Trade Statistics, the world semiconductor market is expected to grow by 25.1% in 2021 and all geographical regions including the Asia Pacific region are expected to show double digit growth. For 2022, the global semiconductor market is projected to grow by 10.1%, driven by a double-digit growth of the Memory category. Furthermore, the expansionary Malaysia Budget 2022, amongst others, projected the country's gross domestic product (GDP) growing by 5.5% to 6.5% in 2022.

B3. Prospects (Cont'd)

SEMICONDUCTOR

While semiconductor industry demonstrating the ongoing high global demand for chips and the industry's extraordinary efforts to ramp up production to meet that demand, our semiconductor orders remain very strong and in line with the global growth where we have received the continuous orders from semiconductor, life science and 5G test equipment where we believe these industries will be our catalyst for the next few years.

As the chips evolve, orders for the logic chip testers remain strong as well as the order for new type tester are expected to commence production target earliest by third quarter of this year. Thus, the demand momentum for these testers will continue to grow in the coming financial year. With the expansion space for auto chip tester manufacturing, automotive chip tester is currently in the production pipeline where CNC machines are equipped with robots to automate material handling.

Going forward, technology and semiconductor growth will mainly be driven by the adoption of new applications for 5G, automotive, smart devices, cloud computing, artificial intelligence and IoT. As UWC is engaged in the semiconductor supply chain, we are tapping into the upcoming trends in 5G and Artificial Intelligence. We tie our venture into the higher end of value chain in front-end semiconductor, autonomous chip tester, 5G tester and V2V tester. Following the Group's key long-term strategies, we have received orders for related 5G testers, whereas for the autonomous vehicle reliability chip testers, the Group expects to ramp production by end of 2021.

CAPACITY EXPANSION

Our 5G OTA chamber assembly room has begun the operations for orders related to 5G testers, where we expect to commence mass production and have more new products in the foreseeable future. The class 10k cleanroom is fully prepared to handle orders from front-end customers in the coming future. Moreover, we are aggressively engaging in the Group's expansion program. In November, UWC had entered into a sale and purchase agreement with the Penang Development Corporation for acquisition of a leasehold land measuring 12.0877 acres in the strategic Batu Kawan Industrial Park for RM28.96 million to support our business growth and operation activities, which it will be funded using internal generated funds. The new factory leased in Taiping also has commenced production since August to increase capacity for more high valued projects. Aligned with the business expansion and Industry 4.0 progression, the Group has continued investing in new CNC machines such as robotic arm and cobot to promote automation in our production process and quality enhancement.

LIFE SCIENCE

In terms for life-science and medical technology, the order pipeline for COVID-19 related virus test equipment remains robust following the global effort in combating the COVID-19 pandemic. Given our involvement in the manufacturing of the medical and diagnostic testing and virus extraction machines, the Group expects sustainable substantial growth in the coming years as the application of these test equipment will be able to cater to other or new virus strains.

In this coming year, we are developing other medical equipment to test the mutated Covid-19 strains with our customers as well as a few new products including DNA analyser are currently under research and development stage. Over the long term, we are working to coordinate with existing customers to secure full box-build job and for more project transfer. Therefore, it is in anticipation of the segment's growth as one of our diversified core businesses in future years.

Moving forward, we are dedicated to continue to drive UWC's business to a greater height and engaging ourselves in potential business opportunities which in line with our strategic corporate expansion plan.

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B4. Profit Forecast

The Group did not issue any revenue or profit estimate, forecast, projection or internal targets in any public document.

B5. Taxation

The Group's taxation together with the comparison between the effective and statutory tax rates for the current quarter and financial period under review are as follows:

	3-months ended 31 October 2021 RM'000	3-months ended 31 October 2020 RM'000
Income tax		
• Current year provision	6,589	6,441
Deferred tax		
• Current year provision	370	508
Overall tax expenses	6,959	6,949
Effective tax rate (%)	23.2	24.2
Statutory tax rate (%)	24.0	24.0

B6. Status of Corporate Proposals

There were no corporate proposals announced and not completed as at the date of this interim financial report.

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B7. Group Borrowings and Debt Securities

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

	3-months ended 31 October 2021 (RM'000)	Audited as at 31 July 2021 (RM'000)
Current liabilities		
Term loan	1,396	1,497
Non-current liabilities		
Term loan	786	1,133
Total borrowings	2,182	2,630

All the Group's borrowings are denominated in RM, secured and interest-bearing.

B8. Material Litigation

As at the date of this interim financial report, the Group is not engaged in any material litigation or arbitration proceedings, either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, which may materially and adversely affect the financial position or business performance of the Group.

B9. Dividend

No dividend was declared for the current quarter ended 31 October 2021.

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B10. Earnings Per Share ("EPS")

The basic and diluted EPS for the current quarter and financial period are computed as follows:

(a) Basic EPS

	3-months ended 31 October 2021	3-months ended 31 October 2020
Profit after tax attributable to the owners of the parent (RM'000)	23,043	21,708
Weighted average number of ordinary shares in issue ('000)	1,100,633	550,200
Basic EPS ⁽¹⁾ (sen)	2.09	3.95

(b) Diluted EPS

	3-months ended 31 October 2021	3-months ended 31 October 2020
Profit after tax attributable to the owners of the parent (RM'000)	23,043	21,708
Weighted average number of ordinary shares in issue ('000)	1,100,633	550,200
Effect of dilution due to share grant scheme ('000)	1,741	927
Adjusted weighted average number of ordinary shares applicable to diluted EPS ('000)	1,102,374	551,127
Diluted EPS ⁽²⁾ (sen)	2.09	3.94

Notes:

- (1) Basic EPS is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period under review.
- (2) Diluted EPS is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period under review adjusted for the effects of dilutive potential ordinary shares.

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B11. Profit Before Tax

Profit before tax is arrived at after charging/(crediting):

	3-months ended 31 October 2021 RM'000	3-months ended 31 October 2020 RM'000
Interest income	(110)	(242)
Interest expense	66	68
Depreciation of property, plant and equipment	3,416	3,926
Depreciation of right-of-use asset	228	164
Amortisation of government grants	(294)	(294)
Loss on fair value adjustment on marketable securities	48	-
Gain on disposal of property, plant and equipment	(189)	(135)
Loss on foreign exchange	456	1,550
Scrap income	(213)	(271)
Miscellaneous income	(387)	(49)

Note:

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

B12. Comparative Information

During the previous financial year, the Group changed its analysis of expenses recognised in profit or loss from classification based on function to classification based on nature, as it can provide more reliable and relevant information to users of financial statement. Consequently, the Group restated its comparative information so that comparability is not impaired.

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income for The First Quarter Ended 31 October 2020:

(a) Individual Quarter for Preceding Year Corresponding Quarter Ended 31 October 2020

	As previously reported RM'000	Reclassifications RM'000	As restated RM'000
Revenue	71,500	-	71,500
Changes in inventories of finished goods and work-in-progress	-	2,950	2,950
Raw materials and consumables used	-	(24,808)	(24,808)
Cost of sales	(38,514)	38,514	-
Other operating income	991	-	991
Staff costs	-	(9,084)	(9,084)
Depreciation expenses	-	(4,090)	(4,090)
Reversal of impairment losses in trade and other receivable	-	18	18
Administrative and other expenses	(5,252)	5,252	-
Other operating expenses	-	(8,752)	(8,752)
Finance costs	(68)	-	(68)
Profit before tax	28,657	-	28,657

UWC BERHAD
(Company No. 201801012223) (1274239-A)
(Incorporated in Malaysia under the Companies Act 2016)

B12. Comparative Information (Cont'd)

(b) Cumulative Quarter for Preceding Year Corresponding Period Ended 31 October 2020

	As previously reported RM'000	Reclassifications RM'000	As restated RM'000
Revenue	71,500	-	71,500
Changes in inventories of finished goods and work-in-progress	-	2,950	2,950
Raw materials and consumables used	-	(24,808)	(24,808)
Cost of sales	(38,514)	38,514	-
Other operating income	991	-	991
Staff costs	-	(9,084)	(9,084)
Depreciation expenses	-	(4,090)	(4,090)
Reversal of impairment losses in trade and other receivable	-	18	18
Administrative and other expenses	(5,252)	5,252	-
Other operating expenses	-	(8,752)	(8,752)
Finance costs	(68)	-	(68)
Profit before tax	28,657	-	28,657

BY ORDER OF THE BOARD
02 December 2021