



## UCI Resources Berhad

(Incorporated in Malaysia)  
(Registration No. 202001015323 (1371643-X))

### Financial Statements

31 December 2024



*your **business** solution partner*

**Kreston John & Gan**

Chartered Accountants • AF 0113

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# Financial Statements

31 December

# 2024

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## UCI Resources Berhad

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

# Directors' Report

for the financial year ended 31 December 2024

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

### Principal activities

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies are set out in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

### Results

	Group RM	Company RM
Profit for the financial year	1,187,278	657,303

### Dividend

No dividend has been paid, declared or proposed since the end of previous financial year.

The directors do not recommend the payment of any dividend in respect of the financial year ended 31 December 2024.

### Reserves or provisions

There were no material transfers to or from reserves or provisions during the financial year other than those as disclosed in the financial statements.

### Bad and doubtful debts

Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowances had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts, or the amount of the allowance for doubtful debts, in the Company inadequate to any substantial extent.

### Current assets

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain whether any current assets, other than debts, were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the Group and of the Company and to the extent so ascertained were written down to an amount that they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

## **UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

# Directors' Report

for the financial year ended 31 December 2024

### **Valuation methods**

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

### **Contingent and other liabilities**

At the date of this report, there does not exist : -

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year which secures the liabilities of any other person, and
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Group and of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

### **Change of circumstances**

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and of the Company, that would render any amount stated in the financial statements misleading.

### **Items of material and unusual nature**

The results of the operations of the Group or of the Company for the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group or of the Company for the current financial year.

### **Shares and debentures**

The Company did not issue any shares or debentures during the financial year.

## UCI Resources Berhad

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

# Directors' Report

for the financial year ended 31 December 2024

### Directors of the Company

The directors of the Company in office at any time during the financial year and since the end of the financial period are:

Liew Thiam Leong (Deceased on 01.09.2024)

Yeap Bun Huat

Liew Ooi Hann

Liew Ooi Ken

The director who hold office in the subsidiary companies (excluding directors who are also directors of the Company) during the financial year until the date of this report is : -

Soo Chong Yew

### Directors' interest

According to the register of director's shareholding under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in the ordinary shares of the Company and its related corporations during the financial year are as follows : -

	Number of ordinary shares			As at <u>31.12.2024</u>
	As at <u>1.1.2024</u>	<u>Bought</u>	<u>Sold</u>	
<u>Direct interests</u>				
Yeap Bun Huat	28,571,400	-	6,668,000	21,903,400
Liew Ooi Hann	57,142,800	-	-	57,142,800

By virtue of Section 8 of the Companies Act 2016 in Malaysia, Yeap Bun Huat and Liew Ooi Hann are deemed to be interested in the shares of the subsidiary companies during the financial year to the extent the Company has interest.

## UCI Resources Berhad

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

# Directors' Report

for the financial year ended 31 December 2024

### Directors' benefits

Since the end of previous financial period, none of the directors of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except as disclosed in Note 29 to the financial statements.

The details of the remuneration paid to or receivable by the directors of the Group and of the Company in respect of the financial year ended 31 December 2024 are as follows : -

	<b>Group RM</b>	<b>Company RM</b>
Emoluments	423,093	-
Employee provident fund	70,904	-
Director fees	40,000	40,000
	<u>533,997</u>	<u>40,000</u>

None of the directors or past directors of the Company have received any other benefits otherwise than in cash from the Company or any of its subsidiary companies during the financial year.

No payment has been paid to or payable to any third party in respect of the services provided to the Company or any of its subsidiary companies by the directors or past directors of the Company during the financial year.

There were no arrangements during and at the end of the financial year, to which the Company or its subsidiary companies is a party, which had the object of enabling the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### Indemnifying Directors, Officers or Auditors

No indemnities have been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been the director, officer or auditor of the Company.

**UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

# Directors' Report

for the financial year ended 31 December 2024

**Auditors**

- a) The auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 are as follows : -

	<b>Group RM</b>	<b>Company RM</b>
Auditors' remuneration : -		
- statutory audit	<u>62,000</u>	<u>20,000</u>

- b) The auditors, Kreston John & Gan, Chartered Accountants have indicated their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors

**Liew Ooi Hann**

**Yeap Bun Huat**

Kuala Lumpur,  
Date : 30 April 2025

# Independent Auditors' Report

to the members of UCI Resources Berhad  
(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of UCI Resources Berhad, which comprise the statements of financial position as at 31 December 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 11 to 62.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### **Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence and Other Ethical Responsibilities**

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### ***Information Other than the Financial Statements and Auditors' Report Thereon***

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and the Company do not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

# Independent Auditors' Report

to the members of UCI Resources Berhad  
(Incorporated in Malaysia, Registration No. . 202001015323 (1371643-X))

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of the most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addresses this matter
<p><b>1. Revenue recognition</b></p> <p>Refer to Note 3(g) – Material accounting policy information and Note 25 – Revenue</p> <p>Revenue is one of the significant accounts in the financial statements and also an important driver of the Group’s operating results. We identified revenue recognition to be an area of audit focus as it is to be a possible cause of higher risk of material misstatements in the timing and amount of revenue recognised due to high volume of transactions. We focused on this area as revenue is a default risk under ISA 240, The Auditor’s Responsibilities Relating to Fraud in Audit of Financial Statements.</p>	<p>Our procedures included, amongst others : -</p> <ul style="list-style-type: none"> <li>• Evaluated whether the accounting policy adopted by the management is consistent with the requirements of MFRS 15, Revenue from Contracts with Customers;</li> <li>• Verified the documents for transactions selected based on sampling basis;</li> <li>• Checked the sales prior and subsequent to the year end and inspect the documents which evidenced the delivery of goods to customers;</li> <li>• Tested sales transactions as well as credit note issued, near to the period ended date to assess whether the revenue was recognised in the correct period.</li> </ul>
<p><b>2. Trade receivables</b></p> <p>Refer to Note 11 – Trade receivables</p> <p>As at 31 December 2024, the Group has outstanding trade receivables of RM7,951,495, represents approximately 21.9% of the total assets of the Group and is material, we consider this as a key audit matter</p>	<p>Our procedures included, amongst others : -</p> <ul style="list-style-type: none"> <li>• Reviewed the ageing analysis of trade receivables and test the reliability thereof;</li> <li>• Reviewed the subsequent collections from trade receivables;</li> <li>• Evaluated the reasonableness on the assessment of expected credit loss to be provided on the trade receivables performed by the management</li> </ul>

# Independent Auditors' Report

to the members of UCI Resources Berhad  
(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

## **Responsibilities of the Directors for the Financial Statements**

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also : -

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

# Independent Auditors' Report

to the members of UCI Resources Berhad  
(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

## **Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd.)**

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also : - (Cont'd.)

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Independent Auditors' Report

to the members of UCI Resources Berhad  
(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

## **Other Matter**

This report is made solely to the members of the Company in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

**Kreston John & Gan**  
(AF 0113)  
Chartered Accountants

**Thien Tze Vui**  
Approval No: 03653/04/2026 J  
Chartered Accountant

Kuala Lumpur,  
Date : 30 April 2025

**UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

**Statements of Financial Position**

As at 31 December 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Plant and equipment	5	907,581	1,310,633	-	-
Right-of-use assets	6	14,740,738	15,269,845	-	-
Investment in subsidiary companies	7	-	-	15,300,000	15,300,000
Lease receivables	8	417,616	-	-	-
Other investment	9	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Non-Current Assets</b>		<b>17,065,935</b>	<b>17,580,478</b>	<b>16,300,000</b>	<b>16,300,000</b>
<b>Current Assets</b>					
Inventories	10	3,920,961	4,546,899	-	-
Trade receivables	11	7,401,793	6,918,449	-	-
Other receivables, deposits and prepayments	12	2,003,842	2,173,857	8,364	752,976
Amount due from a subsidiary company	24	-	-	1,109,916	-
Current tax assets		5,014	4,790	-	-
Short-term fund	13	518,844	500,000	-	-
Fixed deposits with licensed banks	14	3,135,907	4,093,809	1,615,907	1,573,809
Cash and bank balances		2,061,882	1,997,152	523,297	28,097
Lease receivables	8	252,709	-	-	-
<b>Total Current Assets</b>		<b>19,300,952</b>	<b>20,234,956</b>	<b>3,257,484</b>	<b>2,354,882</b>
<b>Total Assets</b>		<b>36,366,887</b>	<b>37,815,434</b>	<b>19,557,484</b>	<b>18,654,882</b>

**UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

**Statements of Financial Position (Cont'd.)**

As at 31 December 2024

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
		<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	15	20,209,781	20,209,781	20,209,781	20,209,781
Reorganisation reserve	16	(14,800,000)	(14,800,000)	-	-
Retained profits		19,693,107	18,505,829	(948,011)	(1,605,314)
<b>Total Equity</b>		<b>25,102,888</b>	<b>23,915,610</b>	<b>19,261,770</b>	<b>18,604,467</b>
<b>Non-Current Liabilities</b>					
Borrowings	17	2,840,763	3,874,178	-	-
Lease liabilities	20	1,108,867	2,147,439	-	-
Deferred tax liabilities	21	-	159,048	-	-
<b>Total Non-Current Liabilities</b>		<b>3,949,630</b>	<b>6,180,665</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>					
Trade payables	22	3,552,365	4,542,964	-	-
Other payables, deposits and accruals	23	1,159,182	540,170	27,300	23,650
Amount due to a subsidiary company	24	-	-	-	11,797
Borrowings	17	1,498,595	1,375,398	-	-
Lease liabilities	20	717,392	983,996	-	-
Current tax liabilities		386,835	276,631	268,414	14,968
<b>Total Current Liabilities</b>		<b>7,314,369</b>	<b>7,719,159</b>	<b>295,714</b>	<b>50,415</b>
<b>Total Liabilities</b>		<b>11,263,999</b>	<b>13,899,824</b>	<b>295,714</b>	<b>50,415</b>
<b>Total Equity and Liabilities</b>		<b>36,366,887</b>	<b>37,815,434</b>	<b>19,557,484</b>	<b>18,654,882</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

# Statement of Profit or Loss and Other Comprehensive Income

for the financial year ended 31 Decemeber 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Revenue	25	31,078,312	33,040,121	1,075,000	750,100
Cost of sales		(26,194,150)	(26,959,472)	-	-
Gross profit		<u>4,884,162</u>	<u>6,080,649</u>	<u>1,075,000</u>	<u>750,100</u>
Other income	26	676,498	226,573	43,392	68,706
Other operating expenses		(3,419,085)	(3,270,985)	(192,734)	(187,888)
Profit from operations		<u>2,141,575</u>	<u>3,036,237</u>	<u>925,658</u>	<u>630,918</u>
Finance costs	27	(311,859)	(343,116)	-	-
Profit before taxation	28	<u>1,829,716</u>	<u>2,693,121</u>	<u>925,658</u>	<u>630,918</u>
Income tax expense	31	(642,438)	(844,965)	(268,355)	(25,994)
Total comprehensive income for the financial year		<u>1,187,278</u>	<u>1,848,156</u>	<u>657,303</u>	<u>604,924</u>
Earnings per share (sen)	32	<u>0.36</u>	<u>0.55</u>		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

**Statements of Changes in Equity**

for the financial year ended 31 December 2024

	Note	<Non- Distributable> Share capital RM	Reorganisation reserve RM	<Distributable> Retained profits RM	Total RM
<b>Group</b>					
<b>At 1 January 2023</b>		20,209,781	(14,800,000)	17,157,773	22,567,554
Transaction with owners:-					
Dividend paid	33	-	-	(500,100)	(500,100)
Total comprehensive income for the financial year		-	-	1,848,156	1,848,156
<b>At 31 December 2023</b>		20,209,781	(14,800,000)	18,505,829	23,915,610
Total comprehensive income for the financial year		-	-	1,187,278	1,187,278
<b>At 31 December 2024</b>		20,209,781	(14,800,000)	19,693,107	25,102,888

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

**Statements of Changes in Equity (Cont'd.)**

for the financial year ended 31 Decemeber 2024

	Note	Share capital RM	Accumulated losses RM	Total RM
<b>Company</b>				
<b>At 1 January 2023</b>		20,209,781	(1,710,138)	18,499,643
Dividend paid	33	-	(500,100)	(500,100)
Total comprehensive income for the financial year		-	604,924	604,924
<b>At 31 December 2023</b>		<u>20,209,781</u>	<u>(1,605,314)</u>	<u>18,604,467</u>
Total comprehensive income for the financial year		-	657,303	657,303
<b>At 31 December 2024</b>		<u>20,209,781</u>	<u>(948,011)</u>	<u>19,261,770</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

**Statements of Cash Flows**

for the financial year ended 31 December 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from operating activities</b>					
Profit before taxation		1,829,716	2,693,121	925,658	630,918
Adjustments for : -					
Depreciation of plant and equipment		526,519	481,913	-	-
Depreciation of right-of-use assets		1,201,254	622,401	-	-
Impairment loss on trade receivables		108,232	21,619	-	-
Interest expenses		311,859	343,116	-	-
Interest income		(125,610)	(226,573)	(43,392)	(68,706)
Gain from disposal of fixed asset		(527,488)	-	-	-
Bad debts recovered		(10,000)	-	-	-
Operating profit before working capital changes		3,314,482	3,935,597	882,266	562,212
Changes in working capital : -					
Inventories		625,938	169,742	-	-
Trade receivables		(581,576)	1,615,980	-	-
Other receivables, deposits and prepayments		170,015	58,305	744,612	116,637
Trade payables		(990,599)	(657,518)	-	-
Other payables and accruals		619,012	(83,781)	3,650	3,650
Amount due from shareholder		-	-	-	(744,613)
Cash generated from/(used in) operations		3,157,272	5,038,325	1,630,528	(62,114)
Interest paid		(311,859)	(343,116)	-	-
Interest received		125,610	226,573	43,392	68,706
Tax paid		(691,505)	(804,081)	(14,909)	(11,026)
Net cash from/(used in) operating activities		2,279,518	4,117,701	1,659,011	(4,434)

**UCI Resources Berhad**

(Incorporated in Malaysia, Registration No. 202001015323 (1371643-X))

**Statements of Cash Flows (Cont'd.)**

for the financial year ended 31 December 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from investing activities</b>					
Addition on right-of-use assets		(1,038,969)	(5,174,340)	-	-
Proceeds from disposal of plant and equipment		487,773	-	-	-
Purchase of plant and equipment		(387,256)	(550,069)	-	-
Change in fixed deposits		957,902	2,653,916	(42,098)	1,498,456
Net cash used in investing activities		19,450	(3,070,493)	(42,098)	1,498,456
<b>Cash flows from financing activities</b>					
Advances to a subsidiary company		-	-	(1,109,916)	(1,493,590)
Repayment to a subsidiary company		-	-	(11,797)	-
Dividend paid		-	(500,100)	-	(500,100)
Repayment of term loan	34	(1,017,970)	(1,003,831)	-	-
(Repayment)/Drawdown of bankers' acceptance	34	(128,000)	128,000	-	-
Repayment of lease liabilities	34	(1,305,176)	(397,693)	-	-
Net cash used in financing activities		(2,451,146)	(1,773,624)	(1,121,713)	(1,993,690)
Net (decrease)/increase in cash and cash equivalents		(152,178)	(726,416)	495,200	(499,668)
Cash and cash equivalents at beginning of the financial year		2,267,803	2,994,219	28,097	527,765
Cash and cash equivalents at end of the financial year	35	2,115,625	2,267,803	523,297	28,097

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Notes to the Financial Statements

31 December 2024

## 1. General information

UCI Resources Berhad is a public limited liability company, incorporated and domiciled in Malaysia and listed on the LEAP market of Bursa Malaysia Securities Berhad.

The addresses of the Company's registered office and principal place of business are as follows :-

Registered office : Level 7, Menara Milenium  
Jalan Damanlela, Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Wilayah Persekutuan.

Principal place of business : No.6-1 & 2, Jalan Opera G U2/G  
Taman TTDI Jaya  
40150 Shah Alam  
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiary companies (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 31 December 2024 do not include other entities.

The Company is principally engaged in the investment holding. The principal activities of the subsidiary companies are set out in Note 7 to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 30 April 2025.

## 2. Basis of preparation

### a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

### b) Adoption of amendments to MFRSs

The Group and the Company have adopted the following applicable amendments to MFRSs for the current financial year:

#### Amendments to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Financial Statements

The adoption of the above new MFRS and amendments to MFRSs did not have any significant effect on the financial statements of the Company and did not result in significant changes to the Company's existing accounting policies.

# Notes to the Financial Statements

31 December 2024

## 2. Basis of preparation (Cont'd.)

### c) New MFRSs and amendments to MFRSs that have been issued, but yet to be effective

- i) The Group and the Company has not adopted the following amendments to MFRSs that have been issued but yet to be effective : -

		<b>Effective for financial years beginning on or after</b>
<u>New MFRS</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 121	The Effect of Changes in Foreign Exchange Rates	1 January 2025
MFRS 7	Financial Instruments: Disclosure	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
Amendments that are part of Annual improvements – Volume II : -		1 January 2026
• Amendments to MFRS 1	First time Adoption of Malaysian Financial Reporting Standards	
• Amendments to MFRS 7	Financial Instruments : Disclosures	
• Amendments to MFRS 9	Financial Instruments	
• Amendments to MFRS 10	Consolidated Financial Statements	
• Amendments to MFRS 107	Statement of Cash Flows	
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 128	Investment in Associates and Joint Ventures	Deferred

- ii) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendment to MFRSs that may be applicable to the Group and to the Company are summarised below:

#### **MFRS 18 Presentation and Disclosure in Financial Statement**

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

# Notes to the Financial Statements

31 December 2024

## 2. Basis of preparation (Cont'd.)

### c) Amendments to MFRSs that have been issued, but yet to be effective (Cont'd)

- ii) The Group and the Company plan to adopt the above applicable amendments to MFRSs when they become effective. A brief discussion on the above significant amendment to MFRSs that may be applicable to the Company are summarised below: (Cont'd)

#### **MFRS 18 Presentation and Disclosure in Financial Statement (Cont'd)**

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosures of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measure (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity’s financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs if inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

#### **Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates**

Amendments to MFRS 121 respond to stakeholder feedback and concerns about diversity in practice in accounting for a lack of exchangeability between currencies.

Applying the Amendments, entities will be applying a consistent approach in determining if a currency can be exchanged into another currency. These amendments provide guidance on the spot exchange rate to use when a currency is not exchangeable into another currency and the disclosures entities need to provide to enable users of financial statements to understand the impact on the entities financial performance, financial position and cash flows as a result of a currency being not exchangeable into another currency.

# Notes to the Financial Statements

31 December 2024

## 2. Basis of preparation (Cont'd.)

### d) Amendments to MFRSs that have been issued, but yet to be effective (Cont'd)

- ii) The Group and the Company plan to adopt the above applicable amendments to MFRSs when they become effective. A brief discussion on the above significant amendment to MFRSs that may be applicable to the Company are summarised below: (Cont'd)

#### **Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosure**

These narrow scope amendments to MFRS 9 clarify the classification and measurement requirements, including:

- clarify how the contractual cash flows on financial assets with environmental, social and corporate governance and similar features should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The amendments permit an entity to derecognised a financial liability before it delivers cash on the settlement date of specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

- iii) The Group and the Company is currently assessing the impact of initial application of the applicable amendments/improvements to MFRSs. Nevertheless, the Company expect that the initial application is unlikely to have a material financial impact to the current period and prior period financial statements of the company.

### d) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 3 to the financial statements.

### e) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

# Notes to the Financial Statements

31 December 2024

## 3. Material accounting policy information

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by the Group and the Company, unless otherwise stated.

### a) Basis of consolidation

#### Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to Group.

### b) Separate financial statements

In the Company's statement of financial position, investment in subsidiaries is measured at cost less any accumulated impairment losses.

Contributions to subsidiary companies are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future are, in substance, considered as part of the Company's investment in the subsidiary companies.

### c) Financial instruments

#### Financial assets – subsequent measurements and gain and losses

##### Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit loss.

##### Equity investments

This category comprises investment in equity that is not held for trading, and the Group and the Company irrevocable elect to present subsequent changes in the investments' fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery part of the cost of investment. Other net gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

# Notes to the Financial Statements

31 December 2024

## 3. Material accounting policy information

### c) Financial instruments (Cont'd)

#### Financial liabilities – subsequent measurements and gain and losses

The Group and the Company classify the financial liabilities at amortised cost. Financial liabilities are subsequently measured at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### d) Plant and equipment

Plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	<b>Rate (%)</b>
Plant and machineries	20
Motor vehicles	20
Furniture, fittings and equipment	20
Office renovation	20

### e) Leases

#### i) Lessee accounting

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

#### Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of lease.

# Notes to the Financial Statements

31 December 2024

## 3. Material accounting policy information (Cont'd.)

### e) Leases (Cont'd)

#### i) Lessee accounting (Cont'd)

##### Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

	<b>Rate (%)</b>
Land	2
Plant and machineries	20
Motor vehicles	20
Construction work-in-progress	20
Office and factory	25 - 50

##### Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

#### ii) Lessor accounting

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

### f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on the weighted average cost method except consumables which is on the first-in, first-out method, and comprises the purchase price, production or conversion costs and incidentals incurred in bringing the inventories to their present location and condition. The cost of conversion includes cost directly related to the units of production, and a proportion of fixed production overheads based on the normal capacity of the production facilities.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

# Notes to the Financial Statements

31 December 2024

## 3. Material accounting policy information (Cont'd.)

### g) Revenue and other income

#### i) Revenue from contract with customers

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met : -

- the customer simultaneously receives and consumes the benefits provided as the Company performs;
- the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Company's performance does not create an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

If control of the assets is transferred over time, revenue is recognised over the period of the contract by reference to the progress towards the satisfaction of each of those performance obligations. Otherwise, revenue is recognised at a point in time when the customer obtain control over the goods or service.

#### Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the control of the goods have been transferred to the customer and recovery of the consideration is probable. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

#### ii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

# Notes to the Financial Statements

31 December 2024

## **4. Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Company's financial statements within the next financial year are disclosed as follows:

### **i) Impairment of financial assets and contract assets**

The impairment provisions for financial assets and contract assets are based on assumptions about risk of default and expected loss rate. The Group and the Company use judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecasts of economic conditions over the expected lives of the financial assets and contract assets.

The information about the impairment losses of the Group's and the Company's financial assets and contract assets are disclosed in Note 37(b)(i).

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# Notes to the Financial Statements

31 December 2024

**5. Plant and equipment**

<b>Group</b>	<b>Plant and machineries RM</b>	<b>Motor vehicles RM</b>	<b>Furniture, fittings and equipments RM</b>	<b>Office renovation RM</b>	<b>Total RM</b>
<b>2024</b>					
<b>Cost</b>					
At 1 January 2024	7,840,470	2,190,603	239,034	280,259	10,550,366
Additions	174,791	188,730	23,735	-	387,256
Disposals	-	(1,264,669)	-	-	(1,264,669)
At 31 December 2024	8,015,261	1,114,664	262,769	280,259	9,672,953
<b>Accumulated depreciation</b>					
At 1 January 2024	6,884,722	1,876,696	206,541	271,774	9,239,733
Charge for the financial year	393,559	117,115	10,188	5,657	526,519
Disposals	-	(1,000,880)	-	-	(1,000,880)
At 31 December 2024	7,278,281	992,931	216,729	277,431	8,765,372
<b>Carrying amount</b>					
At 31 December 2023	955,748	313,907	32,493	8,485	1,310,633
At 31 December 2024	736,980	121,733	46,040	2,828	907,581

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# Notes to the Financial Statements

31 December 2024

**5. Plant and equipment (Cont'd.)**

<b>Group</b>	<b>Plant and machineries RM</b>	<b>Motor vehicles RM</b>	<b>Furniture, fittings and equipments RM</b>	<b>Office renovation RM</b>	<b>Total RM</b>
<b>2023</b>					
<b>Cost</b>					
At 1 January 2023	7,398,129	1,434,703	219,879	280,259	9,332,970
Additions	442,341	80,000	27,728	-	550,069
Disposal	-	-	8,573	-	(8,573)
Transfer from right-of-use assets (Note 5)	-	675,900	-	-	675,900
At 31 December 2023	7,840,470	2,190,603	239,034	280,259	10,550,366
<b>Accumulated depreciation</b>					
At 1 January 2023	6,477,703	1,229,482	205,802	266,118	8,179,105
Charge for the financial year	407,019	59,926	9,312	5,656	481,913
Disposal	-	-	8,573	-	(8,573)
Transfer from right-of-use assets (Note 5)	-	587,288	-	-	587,288
At 31 December 2023	6,884,722	1,876,696	206,541	271,774	9,239,733
<b>Carrying amount</b>					
At 31 December 2022	920,426	205,221	14,077	14,141	1,153,865
At 31 December 2023	955,748	313,907	32,493	8,485	1,310,633

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# Notes to the Financial Statements

31 December 2024

**5. Plant and equipment (Cont'd.)**

i) Purchase of plant and equipment: -

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Purchase of plant and equipment	387,256	550,069
Cash payments on purchase of plant and equipment	387,256	550,069

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# Notes to the Financial Statements

31 December 2024

**6. Right-of-use assets**

<b>Group</b>	<b>Leasehold Land RM</b>	<b>Plant and machinery RM</b>	<b>Motor vehicles RM</b>	<b>Office and factory RM</b>	<b>Construction work-in progress RM</b>	<b>Total RM</b>
<b>2024</b>						
<b>Cost</b>						
At 1 January 2024	5,908,918	3,032,066	898,283	679,679	6,425,210	16,944,156
Additions	-	-	-	-	1,038,969	1,038,969
Terminated	-	-	(468,284)	-	-	(468,284)
At 31 December 2024	5,908,918	3,032,066	429,999	679,679	7,464,179	17,514,841
<b>Accumulated depreciation</b>						
At 1 January 2024	962,309	174,669	367,413	169,920	-	1,674,311
Charge for the financial year	118,178	606,413	164,048	312,615	-	1,201,254
Terminated	-	-	(101,462)	-	-	(101,462)
At 31 December 2024	1,080,487	781,082	429,999	482,535	-	2,774,103
<b>Carrying amount</b>						
At 31 December 2023	4,946,609	2,857,397	530,870	509,759	6,425,210	15,269,845
At 31 December 2024	4,828,431	2,250,984	-	197,144	7,464,179	14,740,738

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**Notes to the Financial Statements**

31 December 2024

**6. Right-of-use assets (Cont'd)**

<b>Group</b>	<b>Leasehold Land RM</b>	<b>Plant and machinery RM</b>	<b>Motor vehicles RM</b>	<b>Office and factory RM</b>	<b>Construction work-in progress RM</b>	<b>Total RM</b>
<b>2023</b>						
<b>Cost</b>						
At 1 January 2023	5,908,918	138,000	1,105,900	-	2,079,219	9,232,037
Additions	-	2,894,066	468,283	679,679	4,345,991	8,388,019
Transfer to plant and equipment (Note 4)	-	-	(675,900)	-	-	(675,900)
At 31 December 2023	5,908,918	3,032,066	898,283	679,679	6,425,210	16,944,156
<b>Accumulated depreciation</b>						
At 1 January 2023	844,131	50,600	744,467	-	-	1,639,198
Charge for the financial year	118,178	124,069	210,234	169,920	-	622,401
Transfer to plant and equipment (Note 4)	-	-	(587,288)	-	-	(587,288)
At 31 December 2023	962,309	174,669	367,413	169,920	-	1,674,311
<b>Carrying amount</b>						
At 31 December 2022	5,064,787	87,400	361,433	-	2,079,219	7,592,839
At 31 December 2023	4,946,609	2,857,397	530,870	509,759	6,425,210	15,269,845

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# Notes to the Financial Statements

31 December 2024

**6. Right-of-use assets (Cont'd)**

Additions of right-of-use assets is by way of:-

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Cash	1,038,969	5,174,340
Finance by lease agreement	-	3,213,679
	1,038,969	8,388,019

**7. Investment in subsidiary companies**

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Unquoted shares, at cost		
- In Malaysia	15,300,000	15,300,000
	15,300,000	15,300,000

The details of the subsidiary companies are as follows : -

<u>Name of subsidiary companies</u>	<u>Principal place of business</u>	<u>Principal activities</u>	<u>Effective ownership interests</u>	
			<b>2024</b>	<b>2023</b>
			%	%
Utama Concrete Industries Sdn. Bhd.	Malaysia	Manufacturing and trading of precast reinforced concrete products. Also involved in investments holding.	100	100
<i>Subsidiary company of Utama Concrete Industries Sdn. Bhd.</i>				
UCI Marketing Sdn. Bhd.	Malaysia	Trading of construction and building material and related activities (dormant).	100	100

# Notes to the Financial Statements

31 December 2024

## 8. Lease receivables

The Company subleased out six (6) units of its motor vehicles that it leased as a lessee (under finance lease) in the current financial year to third party individuals for monthly lease payments for a period of 5 years resulting in the Company having to reclassify the lease classified previously under plant and equipment and right-of-use asset to finance lease receivables because the sublease accounts for the entire remaining term of the head lease. There are no contingent rents in the lease.

The underlying assets, which are those right-of-use assets relating to the head lease with sublease were therefore derecognised, as disclosed on Note 5 and Note 6 to the financial statements.

During the financial year, the Company recognised interest income from finance lease receivables of RM4,000 (2023 – Nil).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the end of the reporting period -

	2024 RM	2023 RM
<b>Gross investment : -</b>		
- not later than one year	267,275	-
- later than one year and not later than two years	256,632	-
- later than two years and not later than five years	170,894	-
	<u>694,801</u>	<u>-</u>
Less: Unearned finance lease income	(24,476)	-
	<u>670,325</u>	<u>-</u>
Represented by : -		
Non-current assets	417,616	-
Current assets	252,709	-
	<u>670,325</u>	<u>-</u>

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# Notes to the Financial Statements

31 December 2024

**9. Other Investment**

	<b>Group and Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Unquoted shares, at fair value through other comprehensive income		
- In Malaysia	1,000,000	1,000,000

**10. Inventories**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
At costs :-		
- Raw material	470,083	1,008,611
- work in progress	3,450,878	3,538,288
	<u>3,920,961</u>	<u>4,546,899</u>
Recognised in profit or loss :-		
- Inventories recognised as cost of sales	18,439,898	19,821,068

**11. Trade receivables**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Trade receivables	7,951,495	7,369,919
Less : impairment losses (Note 37(b))	(549,702)	(451,470)
	<u>7,401,793</u>	<u>6,918,449</u>

The Group's normal credit terms of trade receivables range from 30 to 60 days (2023 – 30 to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

The Company's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows: -

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>At 1 January</b>	451,470	429,851
Charge for the financial year		
- individually assessed	59,625	-
- collectively assessed	48,607	21,619
Reversal of impairment losses	(10,000)	-
<b>At 31 December</b>	<u>549,702</u>	<u>451,470</u>

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**12. Other receivables, deposits and prepayment**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables	89,276	194,948	8,364	752,976
Less: Impairment loss(Note 37)	(3,560)	(3,560)	-	-
	85,716	191,388	8,364	752,976
Deposits	1,759,926	1,802,860	-	-
Prepayments	158,200	179,609	-	-
	<u>2,003,842</u>	<u>2,173,857</u>	<u>8,364</u>	<u>752,976</u>

Included in deposits of the Group is an amount of RM Nil (2023 – RM1,500,000) representing the total purchase consideration for a few parcels of land.

**13. Short-term fund**

	Group	
	2024 RM	2023 RM
Investment in unquoted unit trust in Malaysia at fair value through profit or loss	<u>518,844</u>	<u>500,000</u>

**14. Fixed deposits with licensed banks**

The fixed deposits with licensed banks of the Group and of the Company have maturity periods of 6 months (2023 – 6 to 12 months). The interest rate of fixed deposits with a licensed bank during the financial year are range from 2.6% to 2.65% (2023 – 2.65% to 3.31%) per annum.

**15. Share capital**

	Number of ordinary shares		Amount	
	2024 Unit	2023 Unit	2024 RM	2023 RM
<b>Group and Company</b>				
<u>Issued and fully paid</u>				
(No par value)				
At 1 January / 31 December	<u>333,400,100</u>	<u>333,400,100</u>	<u>20,209,781</u>	<u>20,209,781</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

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**16. Reorganisation reserve**

The reorganisation reserve is related to the subsidiaries which were consolidated under the merger method of accounting. The reorganisation reserve arose from the difference between the carrying value of the investment and the nominal value of the shares of the subsidiaries upon consolidation using merger accounting principles.

The reorganisation reserve represented the difference between the purchase consideration to acquire Utama Concrete Industries Sdn. Bhd. ("UCISB") (RM15,300,000) and the share capital of UCISB (RM500,000).

**17. Borrowings**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Non-Current Liabilities</b>		
<u>Secured</u>		
Term loans	2,840,763	3,874,178
<b>Current Liabilities</b>		
<u>Secured</u>		
Bankers' acceptances	-	128,000
Bank overdraft	465,101	229,349
Term loans	1,033,494	1,018,049
	1,498,595	1,375,398
<b>Total Borrowings</b>		
<u>Secured</u>		
Bankers' acceptances (Note 18)	-	128,000
Bank overdraft (Note 18)	465,101	229,349
Term loans (Note 19)	3,874,257	4,892,227
	4,339,358	5,249,576
	<b>2024</b>	<b>2023</b>
	<b>%</b>	<b>%</b>
Bankers' acceptances	-	5.65
Bank overdraft	BLR + 1.35	BLR + 1.35
Term loans	4.71 - 4.97	4.71 - 4.97

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**18. Bankers' acceptances and bank overdraft**

## a) Bankers' acceptance

The banker's acceptances are secured by a joint and several guaranteed by the directors of the Company.

## b) Bank overdraft

Bank overdraft is secured by a joint and several guaranteed by the directors of the Company. Interest is charged at 1.35% (2023 – 1.35%) per annum above the bank's Base Lending Rate.

**19. Term loan**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<u>Secured</u>		
Term loan 1	540,938	844,622
Term loan 2	3,333,319	4,047,605
	<u>3,874,257</u>	<u>4,892,227</u>
Repayable as follows : -		
<b>Non-Current Liabilities</b>		
Later than one year and not later than two years		
- Term loan 1	221,730	319,209
- Term loan 2	714,286	714,285
	<u>936,016</u>	<u>1,033,494</u>
Later than two years and not later than five years		
- Term loan 1	-	221,650
- Term loan 2	1,904,747	2,142,857
	<u>1,904,747</u>	<u>2,364,507</u>
Later than five years		
- Term loan 2	-	476,177
	<u>-</u>	<u>476,177</u>
	<u>2,840,763</u>	<u>3,874,178</u>

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**19. Term loan (Cont'd.)**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Current Liabilities</b>		
Not later than one year		
- Term loan 1	319,208	303,763
- Term loan 2	714,286	714,286
	<u>1,033,494</u>	<u>1,018,049</u>
	<u>3,874,257</u>	<u>4,892,227</u>

Term loan 1

The term loan 1 is secured by the followings : -

- a) facility agreement to be stamped as Principal Instrument; and
- b) jointly and severally guaranteed by certain directors of the Company.

Term loan 2

The term loan 2 is secured by the followings : -

- a) facility agreement to be stamped as Principal Instrument;
- b) guarantee from Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP") which provides a guarantee of 80% on the financing amount;
- c) corporate guarantee by the Company for RM5,000,000; and joint and several guarantee of the subsidiary company directors for RM5,000,000.

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**20. Lease liabilities**

Group	Office and factory rental RM	Hire Purchase RM	Total RM
<b>2024</b>			
<b>Minimum lease payments : -</b>			
- not later than one year	180,000	625,186	805,186
- later than one year and not later than two years	30,000	598,884	628,884
- later than two years and not later than five years	-	548,931	548,931
	<u>210,000</u>	<u>1,773,001</u>	<u>1,983,001</u>
Less: Future interest charges	(5,017)	(151,725)	(156,742)
	<u>204,983</u>	<u>1,621,276</u>	<u>1,826,259</u>
<b>Present value of lease liabilities</b>			
	204,983	1,621,276	1,826,259
<b>Repayable as follows : -</b>			
<b>Non-Current Liabilities</b>			
- later than one year and not later than two years	29,228	547,011	576,239
- later than two years and not later than five years	-	532,628	532,628
	<u>29,228</u>	<u>1,079,639</u>	<u>1,108,867</u>
<b>Current liabilities</b>			
- not later than one year	175,755	541,637	717,392
	<u>204,983</u>	<u>1,621,276</u>	<u>1,826,259</u>

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**20. Lease liabilities (Cont'd)**

Group	Office and factory rental RM	Hire Purchase RM	Total RM
<b>2023</b>			
<b>Minimum lease payments : -</b>			
- not later than one year	330,000	807,492	1,137,492
- later than one year and not later than two years	180,000	720,946	900,946
- later than two years and not later than five years	30,000	1,419,099	1,449,099
	<u>540,000</u>	<u>2,947,537</u>	<u>3,487,537</u>
Less: Future interest charges	(23,174)	(332,928)	(356,102)
	<u>516,826</u>	<u>2,614,609</u>	<u>3,131,435</u>
<b>Present value of lease liabilities</b>			
	516,826	2,614,609	3,131,435
<b>Repayable as follows : -</b>			
<b>Non-Current Liabilities</b>			
- later than one year and not later than two years	175,755	622,760	798,515
- later than two years and not later than five years	29,228	1,319,696	1,348,924
	<u>204,983</u>	<u>1,942,456</u>	<u>2,147,439</u>
<b>Current liabilities</b>			
- not later than one year	311,843	672,153	983,996
	<u>516,826</u>	<u>2,614,609</u>	<u>3,131,435</u>
		<b>2024</b>	<b>2023</b>
		%	%
Effective interest rate		<u>2.32 - 6.43</u>	<u>2.32 - 6.43</u>

The Company obtains lease facilities to finance their purchase of plant and machineries and motor vehicles. The remaining lease terms are in the range from 1 to 5 years as at 31 December 2024. Implicit interest rate of the lease is fixed and the inception of the lease arrangements and the lease instalments are fixed throughout the lease period. The Company has the option to purchase the assets at the end of the agreements. There are no significant restriction clauses imposed on the lease arrangements.

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**21. Deferred tax liabilities**

	<b>Group</b>	<b>2023</b>
	<b>2024</b>	<b>RM</b>
	<b>RM</b>	<b>RM</b>
At 1 January	159,048	116,000
Recognised in profit or loss	(159,048)	43,048
At 31 December	<u>-</u>	<u>159,048</u>

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows : -

	<b>Group</b>	<b>2023</b>
	<b>2024</b>	<b>RM</b>
	<b>RM</b>	<b>RM</b>
Deferred tax liabilities		
- accelerated capital allowance	<u>-</u>	<u>159,048</u>

**22. Trade payables**

The normal credit terms of the Group's trade payables range from 30 – 90 days (2023: 30 – 90 days). However, the credit terms may vary depending on negotiation with the suppliers

**23. Other payables, deposits and accruals**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Other payables	-	142,154	-	-
Deposits received	1,993	101,993	-	-
Accruals	1,149,392	296,023	27,300	23,650
	<u>1,151,385</u>	<u>540,170</u>	<u>27,300</u>	<u>23,650</u>

**24. Amount due from/(to) subsidiary companies**

The amount due to a subsidiary company is unsecured, interest free and repayable on demand by cash and cash equivalents.

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**25. Revenue**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Revenue from contracts with customers</b>				
Manufacturing and trading of precast concrete products	30,003,312	32,790,121	-	-
Dividend income	1,075,000	250,000	1,075,000	750,100
Total revenue	<u>31,078,312</u>	<u>33,040,121</u>	<u>1,075,000</u>	<u>750,100</u>
			<b>Group</b>	
			<b>2024 RM</b>	<b>2023 RM</b>
Timing of revenue - at a point in time			<u>30,003,312</u>	<u>32,790,121</u>

**26. Other income**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest received	125,610	188,523	43,392	68,706
Gain on disposal of plant and equipment	527,488	-	-	-
Rental income	13,400	38,050	-	-
Bad debt recovered	10,000			
	<u>676,498</u>	<u>226,573</u>	<u>43,392</u>	<u>68,706</u>

**27. Finance costs**

	Group	
	2024 RM	2023 RM
Interest expense on:		
- Bankers' acceptances	10,402	21,721
- Bank overdraft	23,720	8,059
- Lease liabilities	47,463	40,831
- Term loans	230,274	272,505
	<u>311,859</u>	<u>343,116</u>

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**28. Profit before taxation**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
This is arrived at after charging : -				
Auditors' remuneration : -	62,000	62,000	20,000	20,000
Depreciation of property, plant and equipment	526,519	481,913	-	-
Depreciation of right-of-use assets	1,201,254	622,401	-	-
Employee benefits expenses (Note 29)	4,810,702	4,702,795	-	-
Expenses relating to leases of low value assets				
- equipment	91,305	45,515	-	-
Expenses relating to leases of short-term assets				
- premises	300,000	132,000	-	-
- vehicle and machinery	11,104	38,520	-	-
Finance costs	311,859	342,534	-	-
Impairment loss on trade receivable	108,232	21,619	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
And crediting : -				
Interest received	(125,610)	(188,523)	(43,392)	(68,706)
Gain on disposal of plant and equipment	(527,488)	-	-	-
Rental income	(13,400)	(38,050)	-	-
Bad debt recovered	(10,000)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

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**29. Employee benefit expenses**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Salaries, allowances and bonus	4,538,983	4,426,144
Employees Provident Fund	236,453	244,390
Employment Insurance System	2,583	2,326
Social security cost	32,683	29,935
	<b>4,810,702</b>	<b>4,702,795</b>

Included in employee benefit expense of the Group is executive directors' emoluments excluding benefits-in-kind, amounting to RM493,997 (2023 – RM530,549), as disclosed in Note 30 to the financial statements.

**30. Directors' emoluments**

The details of remuneration receivable/received by directors of the Group and of the Company during the year are as follows: -

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Executive directors				
- Emoluments	423,093	468,629	-	-
- Employees Provident Fund	70,904	61,920	-	-
Total executive directors' emoluments (excluding benefits-in-kind) (Note 29)	493,997	530,549	-	-
Director fees	40,000	40,000	40,000	40,000
	<b>533,997</b>	<b>570,549</b>	<b>40,000</b>	<b>40,000</b>

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**31. Income tax expense**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Income tax:</b>				
- current year	656,563	752,631	268,414	14,968
- under provision in prior financial year	144,923	49,286	(59)	11,026
	<u>801,486</u>	<u>801,917</u>	<u>268,355</u>	<u>25,994</u>
<b>Deferred tax:</b>				
- relating to origination and reversal of temporary differences	(159,048)	43,048	-	-
	<u>642,438</u>	<u>844,965</u>	<u>268,355</u>	<u>25,994</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2023 – 24%) of the estimated assessable profit for the financial year.

The reconciliation from the tax amount of the statutory income tax rate to the Company's tax expense are as follows :-

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Profit before tax	<u>1,829,716</u>	<u>2,693,121</u>	<u>925,658</u>	<u>630,918</u>
Income tax using Malaysian tax rate 24% (2023 - 24%)	439,132	646,349	222,158	151,420
Non-allowable expenses	129,899	286,306	46,256	43,572
Non-taxable income	-	(180,024)	-	(180,024)
Origination and reversal of temporary differences	(159,048)	43,048	-	-
Under provision of taxation in previous financial year	144,923	49,286	(59)	11,026
Deferred tax assets not recognised	87,532	-	-	-
	<u>642,438</u>	<u>844,965</u>	<u>268,355</u>	<u>25,994</u>

# Notes to the Financial Statements

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## 32. Earnings per share

### Basic : -

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of ordinary shares in issued during the financial year.

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
Profit for the financial year attributable to the ordinary owners of the Company (RM)	1,187,278	1,848,156
Weighted average number of ordinary shares in issue (unit)	333,400,100	333,400,100
Earnings per share (sen)	0.36	0.55

### Diluted : -

Diluted earnings per share is not computed as the Group did not have any convertible financial instruments as at 31 December 2024.

## 33. Dividend paid

The company has issued an interim dividend of RM1.0002 per ordinary shares for the financial year ended 31 December 2023 amounted to RM500,100.

No dividend has been paid, declared or proposed since the end of previous financial year.

The directors do not recommend the payment of any dividend in respect of the financial year ended 31 December 2024.

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**34. Changes in liabilities arising from financing**

- a) The table below details changes in the liabilities of the Group arising from financing activities, including both cash and non-cash changes as follows : -

<b>Group</b>	<b>At beginning of the financial year RM</b>	<b>Net change from financing cash flows RM</b>	<b>Acquisition of new lease/ financing RM</b>	<b>At end of the financial year RM</b>
<b>2024</b>				
Bankers' acceptances	128,000	(128,000)	-	-
Term loans	4,892,227	(1,017,970)	-	3,874,257
Lease Liabilities	3,131,435	(1,305,176)	-	1,826,259
	<u>8,151,662</u>	<u>(2,451,146)</u>	-	<u>5,700,516</u>
<b>2023</b>				
Bankers' acceptances	-	128,000	-	128,000
Term loans	5,896,058	(1,003,831)	-	4,892,227
Lease Liabilities	315,449	(397,693)	3,213,679	3,131,435
	<u>6,211,507</u>	<u>(1,273,524)</u>	<u>3,213,679</u>	<u>8,151,662</u>

- b) Cash outflows for leases as a lessee

	<b>Group</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
<b>Including in net cash from operating activities : -</b>		
Payment relating to short-term leases	311,104	170,520
Payment relating to low value assets	91,305	45,515
Interest paid in relation to lease liabilities	47,463	40,831
<b>Including in net cash from financing activities : -</b>		
Payment on lease liabilities	1,305,176	397,693
	<u>1,755,048</u>	<u>654,559</u>

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**35. Cash and cash equivalents**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Short-term fund	518,844	500,000	-	-
Bank overdrafts	(465,101)	(229,349)	-	-
Cash and bank balances	2,061,882	1,997,152	523,297	28,097
	<u>2,115,625</u>	<u>2,267,803</u>	<u>523,297</u>	<u>28,097</u>

**36. Segmental Information**

No segment reporting by industry and geographical segments have been prepared as the Group operated predominantly in the business of manufacturing and trading of precast reinforced concrete products.

The followings are major customers with revenue equal or more than 10% of the Group's total revenue: -

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Customer A	<u>5,432,081</u>	<u>6,784,874</u>

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**37. Financial instrument**

## a) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows : -

- (i) Financial assets measured at amortised cost (“FAAC”);
- (ii) Financial assets measured at fair value through other comprehensive income (“FVTOCI”); and
- (iii) Financial liabilities measured at amortised cost (“FLAC”)

Group	Carrying Amount RM	FAAC RM	FVTOCI RM	FLAC RM
<b>2024</b>				
<b>Financial assets</b>				
Trade receivables	7,401,793	7,401,793	-	-
Other receivables and deposits	1,845,642	1,845,642	-	-
Short-term fund	518,844	518,844	-	-
Fixed deposit with a licensed bank	3,135,907	3,135,907	-	-
Cash and bank balances	2,061,882	2,061,882	-	-
Other investment	1,000,000	-	1,000,000	-
	<u>15,964,068</u>	<u>14,964,068</u>	<u>1,000,000</u>	<u>-</u>
<b>Financial liabilities</b>				
Trade payables	(3,552,365)	-	-	(3,552,365)
Other payables and accruals	(1,159,182)	-	-	(1,159,182)
Borrowings	(4,339,358)	-	-	(4,339,358)
Lease liabilities	(1,826,259)	-	-	(1,826,259)
	<u>(10,877,164)</u>	<u>-</u>	<u>-</u>	<u>(10,877,164)</u>
<b>2023</b>				
<b>Financial assets</b>				
Trade receivables	6,918,449	6,918,449	-	-
Other receivables and deposits	1,994,248	1,994,248	-	-
Short-term fund	500,000	500,000	-	-
Fixed deposit with a licensed bank	4,093,809	4,093,809	-	-
Cash and bank balances	1,997,152	1,997,152	-	-
Other investment	1,000,000	-	1,000,000	-
	<u>16,503,658</u>	<u>15,503,658</u>	<u>1,000,000</u>	<u>-</u>
<b>Financial liabilities</b>				
Trade payables	(4,542,964)	-	-	(4,542,964)
Other payables and accruals	(540,170)	-	-	(540,170)
Borrowings	(5,249,576)	-	-	(5,249,576)
Lease liabilities	(3,131,435)	-	-	(3,131,435)
	<u>(13,464,145)</u>	<u>-</u>	<u>-</u>	<u>(13,464,145)</u>

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# Notes to the Financial Statements

31 December 2024

**37. Financial instruments (Cont'd.)**

## a) Categories of financial instruments (Cont'd.)

Company	Carrying Amount RM	FAAC RM	FVTOCI RM	FLAC RM
<b>2024</b>				
<b>Financial assets</b>				
Other receivables and deposits	8,364	8,364	-	-
Amount owing from a subsidiary company	1,109,916	1,109,916	-	-
Fixed deposit with a licensed bank	1,615,907	1,615,907	-	-
Cash and bank balances	523,297	523,297	-	-
Other investment	1,000,000	-	1,000,000	-
	<u>4,257,484</u>	<u>3,257,484</u>	<u>1,000,000</u>	<u>-</u>
<b>Financial liabilities</b>				
Other payables and accruals	(27,300)	-	-	(27,300)
	<u>(27,300)</u>	<u>-</u>	<u>-</u>	<u>(27,300)</u>
<b>2023</b>				
<b>Financial assets</b>				
Other receivables and deposits	752,976	752,976	-	-
Fixed deposit with a licensed bank	1,573,809	1,573,809	-	-
Cash and bank balances	28,097	28,097	-	-
Other investment	1,000,000	-	1,000,000	-
	<u>3,354,882</u>	<u>2,354,882</u>	<u>1,000,000</u>	<u>-</u>
<b>Financial liabilities</b>				
Accruals	(23,650)	-	-	(23,650)
Amount owing to a subsidiary company	(11,797)	-	-	(11,797)
	<u>(35,447)</u>	<u>-</u>	<u>-</u>	<u>(35,447)</u>

# Notes to the Financial Statements

31 December 2024

## 37. Financial instruments (Cont'd.)

### b) Financial risk management

The Group has exposure to the following risks from its use of financial instruments : -

- Credit risk
- Liquidity and cash flow risk
- Market risk

#### i) Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. There are no significant changes as compared to prior periods.

#### Trade Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees given by shareholders or directors of customers are obtained, and credit valuations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position.

# Notes to the Financial Statements

31 December 2024

## 37. Financial instruments (Cont'd.)

### b) Financial risk management

#### i) Credit risk (Cont'd.)

##### Trade Receivables (Cont'd.)

##### *Concentration of credit risk*

As at the end of the reporting period, the Group has significant concentration of credit risk in the form of outstanding balance of approximately RM2,955,793 due from five (5) trade receivables which represents 39% of the total trade receivables of the Group. However, the directors are of the opinion that these amount outstanding is fully recoverable. Credit risk and receivables are monitored on an ongoing basis. These procedures substantially mitigate credit risk of the Group.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any past due receivables having significant balances, which are deemed to have higher credit risk, are monitored individually.

##### *Recognition and measurement of impairment losses*

The Group uses an allowance matrix to measure the expected credit losses ("ECL") of trade receivables from individual customers, which comprise a very large number of insignificant balances outstanding.

To measure the ECLs, trade receivables have been grouped based on credit risk and days past due.

Where a receivable has a low credit risk, it is excluded from the allowance matrix and its ECL is assessed individually by considering historical payment trends and financial strength of the receivable.

# Notes to the Financial Statements

31 December 2024

## 37. Financial instruments (Cont'd.)

### b) Financial risk management

#### i) Credit risk (Cont'd.)

#### Trade Receivables (Cont'd.)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December which are grouped together as they are expected to have similar risk nature :

<b>Group</b>	<b>Gross RM</b>	<b>Less Allowance RM</b>	<b>Net RM</b>
<b>2024</b>			
Not past due	4,055,227	-	4,055,227
Past due 1 - 30 days	1,613,592	-	1,613,592
Past due 31 - 60 days	1,392,067	-	1,392,067
Past due 61 - 90 days	197,951	-	197,951
Past due 91 - 120 days	224,810	(81,854)	142,956
	<u>7,483,647</u>	<u>(81,854)</u>	<u>7,401,793</u>
Individual impairment	467,848	(467,848)	-
	<u>7,951,495</u>	<u>(549,702)</u>	<u>7,401,793</u>
<b>2023</b>			
Not past due	2,034,661	(9,731)	2,024,930
Past due 1 - 30 days	2,114,124	(10,111)	2,104,013
Past due 31 - 60 days	1,463,993	(7,002)	1,456,991
Past due 61 - 90 days	628,035	(3,003)	625,032
Past due 91 - 120 days	710,883	(3,400)	707,483
	<u>6,951,696</u>	<u>(33,247)</u>	<u>6,918,449</u>
Individual impairment	418,223	(418,223)	-
	<u>7,369,919</u>	<u>(451,470)</u>	<u>6,918,449</u>

# Notes to the Financial Statements

31 December 2024

## 37. Financial instruments (Cont'd.)

### b) Financial risk management (Cont'd.)

#### i) Credit risk (Cont'd.)

##### Trade Receivables (Cont'd.)

##### *Recognition and measurement of impairment losses (Cont'd.)*

The movements in the allowance for impairment in respect of trade receivables during the financial year is as follows : -

Group	Lifetime ECL RM	Credit impaired RM	Total RM
<b>2024</b>			
At 1 January	33,247	418,223	451,470
Net measurement of loss allowanc	48,607	59,625	108,232
Bad debt recovered		(10,000)	(10,000)
At 31 December	81,854	467,848	549,702
<b>2023</b>			
At 1 January	11,628	418,223	429,851
Net measurement of loss allowanc	21,619	-	21,619
At 31 December	33,247	418,223	451,470

##### Other receivables

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

The movements in the allowance for impairment in respect of other receivables during the financial year is as follows : -

Group	Lifetime ECL RM	Credit impaired RM	Total RM
<b>2024</b>			
At 1 January / 31 December	-	3,560	3,560
<b>2023</b>			
At 1 January / 31 December	-	3,560	3,560

# Notes to the Financial Statements

31 December 2024

## **37. Financial instruments (Cont'd.)**

### b) Financial risk management (Cont'd.)

#### ii) Liquidity and cash flow risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables and borrowings.

The Group and the Company maintain a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet their liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

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**Notes to the Financial Statements**

31 December 2024

**37. Financial instruments (Cont'd.)**

## b) Financial risk management (Cont'd.)

## ii) Liquidity and cash flow risk (Cont'd.)

*Maturity analysis*

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments :-

<b>Group</b>	<b>Carrying amount RM</b>	<b>Contractual interest rate %</b>	<b>Contractual cash flows RM</b>	<b>Under 1 year RM</b>	<b>1 – 2 years RM</b>	<b>2 – 5 years RM</b>	<b>More than 5 years RM</b>
<b>2024</b>							
<i>Non-derivative financial liabilities</i>							
Trade payables	3,552,365	-	3,552,365	3,552,365	-	-	-
Other payables and accruals	1,159,182	-	1,159,182	1,159,182	-	-	-
Term loans	3,874,257	4.71 - 4.97	5,857,999	1,473,116	1,360,286	3,024,597	-
Bank overdraft	465,101	8.02	502,402	502,402	-	-	-
Lease liabilities	1,826,259	2.32 - 6.43	1,983,001	805,186	628,884	548,931	-
	<u>10,877,164</u>		<u>13,054,949</u>	<u>7,492,251</u>	<u>1,989,170</u>	<u>3,573,528</u>	<u>-</u>

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31 December 2024

**37. Financial instruments (Cont'd.)**

## b) Financial risk management (Cont'd.)

## ii) Liquidity and cash flow risk (Cont'd.)

*Maturity analysis (Cont'd.)*

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments : - (Cont'd.)

<b>Group</b>	<b>Carrying amount RM</b>	<b>Contractual interest rate %</b>	<b>Contractual cash flows RM</b>	<b>Under 1 year RM</b>	<b>1 – 2 years RM</b>	<b>2 – 5 years RM</b>	<b>More than 5 years RM</b>
<b>2023</b>							
<i>Non-derivative financial liabilities</i>							
Trade payables	4,542,964	-	4,542,964	4,542,964	-	-	-
Other payables and accruals	540,170	-	540,170	540,170	-	-	-
Bankers' acceptances	128,000	5.56	128,000	128,000	-	-	-
Bank overdraft	229,349	8.02	229,349	229,349	-	-	-
Term loans	4,892,227	4.71 - 4.97	7,312,924	1,455,197	1,473,116	3,628,476	756,135
Lease liabilities	3,131,435	2.32 - 6.43	3,487,537	1,137,492	900,946	1,449,099	-
	<u>13,464,145</u>		<u>16,240,944</u>	<u>8,033,172</u>	<u>2,374,062</u>	<u>5,077,575</u>	<u>756,135</u>

# Notes to the Financial Statements

31 December 2024

## 37. Financial instruments (Cont'd.)

### b) Financial risk management (Cont'd.)

#### ii) Liquidity and cash flow risk (Cont'd.)

##### *Maturity analysis (Cont'd.)*

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments : - (Cont'd.)

Company	Carrying amount RM	Effective interest rate %	Contractual cash flows RM	Under 1 year RM
<b>2024</b>				
<i>Non-derivative financial liabilities</i>				
Accruals	27,300	-	27,300	27,300
	<hr/>		<hr/>	
<b>2023</b>				
<i>Non-derivative financial liabilities</i>				
Accruals	23,650	-	20,000	20,000
Amount owing to a subsidiary company	11,797	-	1,505,387	1,505,387
	<hr/>		<hr/>	
	<b>35,447</b>		<b>1,525,387</b>	<b>1,525,387</b>

#### iii) Market risk

Market risk is the risk that changes in market prices, such interest rates and other prices that will affect the Group's financial position or cash flows.

##### Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

# Notes to the Financial Statements

31 December 2024

## 37. Financial instruments (Cont'd.)

### a) Financial risk management (Cont'd.)

#### iii) Market risk (Cont'd.)

##### Interest rate risk (Cont'd.)

##### *Risk management objectives, policies and processes for managing the risk*

The Group's policy is to borrow principally on the floating rate basis but to retain a proportion of fixed rate debt. The objectives for the mix between fixed and floating rate borrowings are set to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall.

##### *Exposure to interest rate risk*

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows : -

	<b>2024</b>	<b>Interest</b>	<b>2023</b>	<b>Interest</b>
	<b>RM</b>	<b>rate</b>	<b>RM</b>	<b>rate</b>
		<b>%</b>		<b>%</b>
<u>Fixed rate instruments</u>				
Lease liabilities	1,826,259	2.32 - 6.43	3,131,435	2.32 - 6.43
<u>Floating rate instruments</u>				
Bankers' acceptances	-	-	128,000	5.65
Bank overdraft	465,101	8.02	229,349	8.02
Term loans	3,874,257	4.71 - 4.97	4,892,227	4.71 - 4.97

##### *Interest rate risk sensitivity analysis : -*

##### *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

##### *Cash flow sensitivity analysis for variable rate instruments*

At the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM1,000 higher/lower, arising mainly as a result of lower/higher interest expense on floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

# Notes to the Financial Statements

31 December 2024

## 37. Financial instruments (Cont'd.)

### c) Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair value due to the relatively short-term nature.

The carrying amount of long-term bank borrowing carried on the statements of financial position is reasonable approximate of fair value due to that it is a floating rate instruments that are re-priced to market interest rate on or near the reporting date.

The aggregate fair value of the other financial assets and liabilities carried on the statements of financial position approximates its carrying value and the Group does not anticipate the carrying amounts recorded at the reporting date to be significantly different from the values that would eventually be settled.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique : -

#### Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

#### Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

#### Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The Group does not anticipate the carrying amounts recorded at the reporting date to be significantly different from the values that would eventually be settled. Therefore, the fair value hierarchy is not presented.

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# Notes to the Financial Statements

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### 38. Capital management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group may take adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as total borrowings from financial institutions divided by total equity.

	<b>2024</b> <b>RM</b>	<b>2023</b> <b>RM</b>
Total borrowings	6,165,617	8,381,011
Total equity	24,880,834	23,915,610
Debt-to-equity ratio	0.25	0.35

### 39. Capital commitment

	<b>2024</b> <b>RM</b>	<b>2023</b> <b>RM</b>
Authorised and contracted for : - - right-of-use assets (factory)	-	2,000,000

### 40. Related parties

#### Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel include all the Directors of the Group and of the Company, and certain members of the senior management of the Group and of the Company



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## Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Liew Ooi Hann and Yeap Bun Huat, being two of the directors of UCI Resources Berhad, do hereby state on behalf of the directors that in our opinion, the financial statements set out on pages 11 to 62 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company at 31 December 2024 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors

**Liew Ooi Hann**

**Yeap Bun Huat**

Kuala Lumpur,  
Date : 30 April 2025

**UCI Resources Berhad**

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## Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Liew Ooi Hann, NRIC: 860218-14-5385, being the director primarily responsible for the financial management of UCI Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 11 to 62, to the best of my knowledge and belief, are correct.

And, I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared at Kuala Lumpur on 30 April 2025

**Liew Ooi Hann**

Before me

Commissioner for Oaths