



MOBILIA HOLDINGS BERHAD

Registration No. 202001004249 (1360569-P)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE
THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2021**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME ⁽¹⁾

	Individual Quarter		Cumulative Quarter	
	Unaudited Current Year Quarter 30.09.2021 RM'000	Unaudited Preceding Year Corresponding Quarter 30.09.2020 ⁽²⁾ RM'000	Unaudited Year To Date Current 30.09.2021 RM'000	Unaudited Year To Date Preceding 30.09.2020 ⁽²⁾ RM'000
Revenue	1,315	N/A	41,978	N/A
Operating expenses	(2,551)	N/A	(37,628)	N/A
Other income	280	N/A	1,042	N/A
Finance Costs	(199)	N/A	(642)	N/A
(Loss)/Profit before tax	(1,155)	N/A	4,750	N/A
Tax expense	319	N/A	(1,079)	N/A
(Loss)/Profit after tax	(836)	N/A	3,671	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive (expenses)/income	(836)	N/A	3,671	N/A
(Loss)/Profit after tax attributable to:				
- Owners of the Company	(836)	N/A	3,671	N/A
- Non-controlling interest	-	N/A	-	N/A
	(836)	N/A	3,671	N/A
Total comprehensive (expenses)/income attributable to:				
- Owners of the Company	(836)	N/A	3,671	N/A
- Non-controlling interest	-	N/A	-	N/A
	(836)	N/A	3,671	N/A
Attributable to equity holders of the company:				
- Basic (loss)/earnings per share (sen) ⁽³⁾	(0.21)	N/A	0.92	N/A
- Diluted (loss)/earnings per share (sen) ⁽⁴⁾	N/A	N/A	N/A	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.
- (2) This is the fourth interim financial report on the Company's unaudited condensed consolidated financial results for the third (3rd) quarter ended 30 September 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.
- (3) Basic (loss)/earnings per share is calculated based on the Company's weighted average number of ordinary shares as at 30 September 2021.
- (4) There are no dilutive potential equity instruments that would effect to the basic (loss)/earnings per share.

N/A – Not applicable

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 30.09.2021 RM'000	Audited As at 31.12.2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	37,051	37,114
Right-of-use assets	2,988	1,975
	40,039	39,089
Current assets		
Inventories	15,233	9,797
Trade receivables	894	8,427
Other receivables, deposits and prepayments	1,615	2,569
Current tax assets	58	339
Fixed deposits with a licensed bank	11,229	3,541
Cash and bank balances	13,263	10,532
	42,292	35,205
TOTAL ASSETS	82,331	74,294
EQUITY AND LIABILITIES		
Equity		
Share capital	36,696	23,596
Merger deficit	(22,496)	(22,496)
Retained profits	34,804	31,133
TOTAL EQUITY	49,004	32,233
Non-current liabilities		
Bank borrowings	18,056	18,995
Lease liabilities	1,593	1,230
Deferred tax liabilities	1,530	1,530
	21,179	21,755
Current liabilities		
Trade payables	4,323	5,369
Other payables and accruals	4,689	6,017
Bank borrowings	2,385	8,460
Lease liabilities	751	460
	12,148	20,306
TOTAL LIABILITIES	33,327	42,061
TOTAL EQUITY AND LIABILITIES	82,331	74,294
Net assets per ordinary share (RM) ⁽²⁾	0.12	0.09

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares at the end of the reporting year (2021:400,000,000 shares; 2020:340,000,000 shares)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

	<u>Non-distributable</u>	<u>Distributable</u>		
	Share	Merger	Retained	
	Capital	Deficit	Profits	
	RM'000	RM'000	RM'000	
Unaudited			Total	
			Equity	
			RM'000	
Balance as at 1 January 2021	23,596	(22,496)	31,133	32,233
Profit after tax and total comprehensive income for the year	-	-	3,671	3,671
Contributions by and distributions to owners of the Company:				
- Issuance of shares	13,800	-	-	13,800
- Listing expenses	(700)			(700)
Total transactions with owners	13,100	-	-	13,100
Balance as at 30 September 2021	36,696	(22,496)	34,804	49,004

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS ⁽¹⁾

	Unaudited Current Year To Date 30.09.2021 RM'000	Unaudited Preceding Corresponding Year To Date 30.09.2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,750	N/A
Adjustments for:		
Depreciation of property, plant and equipment	1,267	N/A
Depreciation of right-of-use assets	305	N/A
Gain on disposal of property, plant and equipment	(175)	N/A
Property, plant and equipment written off	13	N/A
Unrealised loss on foreign exchange	17	N/A
Interest expenses	642	N/A
Interest income	(192)	N/A
Operating profit before working capital changes	6,627	N/A
Inventories	(5,436)	N/A
Trade receivables	7,533	N/A
Other receivables, deposits and prepayments	954	N/A
Trade payables	(1,046)	N/A
Other payables and accruals	(1,328)	N/A
CASH FROM OPERATIONS	7,304	-
Interest paid	(642)	N/A
Interest received	192	N/A
Tax paid	(798)	N/A
NET CASH FROM OPERATING ACTIVITIES	6,056	N/A
CASH FLOWS FOR INVESTING ACTIVITIES		
Addition to right-of use assets	(1,318)	N/A
Purchase of property, plant and equipment	(1,217)	N/A
Proceeds from disposal of property, plant and equipment	175	N/A
NET CASH FOR INVESTING ACTIVITIES	(2,360)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	13,800	N/A
Payment of share issue expenses	(700)	N/A
Drawdown of term loans	208	N/A
Drawdown of bankers' acceptances	6,737	N/A
Repayment of bankers' acceptances	(12,762)	N/A
Repayment of term loans	(1,197)	N/A
Repayment of lease liabilities	(466)	N/A
Addition of lease liabilities	1,120	N/A
NET CASH FROM FINANCING ACTIVITIES	6,740	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	10,436	N/A
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(17)	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	14,073	N/A
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	24,492	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the accompanying explanatory notes attached to this interim report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021**

**PART A – EXPLNATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING
STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

A1 Basis of Preparation

The interim financial report of Mobilia Holdings Berhad (“Mobilia” or “the Company”) and its subsidiary (“the Group”) are unaudited and have been prepared in accordance with MFRS 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the listing requirements.

This is the fourth interim financial report on the Company’s unaudited condensed consolidated financial results for the third (3rd) quarter ended 30 September 2021 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding quarter.

The interim financial report should be read in conjunction with the accompanying explanatory note attached to this interim financial report.

A2 Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the Group’s annual audited financial statements for the year ended 31 December 2020, except for the adoption of the following new amendments to MRFSS:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 3: Definition of a Business

Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9

Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform

Amendments to MFRS 101 and MFRS 108: Definition of Material

Amendments to References to the Conceptual Framework in MFRS Standards

The Group has not applied in advance any accounting standards and / or interpretations (including the consequential amendments. If any) that have been issued by the Malaysian Accounting Standards Board but are yet effective for the financial year ended 31 December 2020.

A3 Auditors’ Report of Preceding Annual Financial Statements

The audited financial statements for the financial year ended 31 December 2020 were not subject to any qualification.

A4 Seasonal or Cyclical Factors

The nature of the Group’s business were not subject to any significant seasonal and cyclical factors.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021**

A5 Unusual Items

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

A6 Material Changes in Accounting Estimates

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

A7 Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

A8 Dividend Paid

There were no dividends paid during the financial quarter under review.

A9 Segmental Reporting

The Group is principally involved in designing, manufacturing and sales of home furniture products.

No product and services segment information is presented as the Group's revenue, profit or loss are mainly confined to a single operating segment, namely furniture manufacturing.

Segment assets is not presented, as all non-current assets are located in Malaysia.

Segment revenue is presented based on the geographical location of the customers.

	Individual Quarter		Cumulative Quarter	
	Unaudited 30.09.2021	Unaudited 30.09.2020 ⁽¹⁾	Unaudited 30.09.2021	Unaudited 30.09.2020 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
North America	538	N/A	19,298	N/A
Malaysia	644	N/A	14,141	N/A
Asia (excluding Malaysia)	-	N/A	5,512	N/A
Europe	-	N/A	2,543	N/A
Australasia	133	N/A	373	N/A
South America	-	N/A	111	N/A
Total	1,315	N/A	41,978	N/A

Note:

(1) This is the fourth interim financial report on the Company's unaudited condensed consolidated financial results for the third (3rd) quarter ended 30 September 2021

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021**

announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

N/A – Not applicable

A10 Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment in the current financial quarter under review.

A11 Capital Commitments

The material capital commitments of the Group as at 30 September 2021 were as follows:

	Unaudited As at 30.09.2021 RM'000
Contracted but not provided for	
Construction of office and factory buildings	8,339
Purchase of machinery	850
	<hr/>

A12 Material Subsequent Event

Save as disclosed in Note B6, there are no other material events subsequent to the end of the current financial period that have not been reflected in the interim financial reports for the said period as at the date of this report.

A13 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial quarter under review.

A14 Contingent Assets or Contingent Liabilities

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

A15 Significant Related Party Transactions

There were no related party transactions in the current financial quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021

PART B – EXPLNATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Performance Review

(a) Results for current quarter

The Group recorded a revenue of approximately RM1.32 million and loss before tax of approximately RM1.16 million for the current financial quarter ended 30 September 2021.

The Group's revenue mainly derived from the design, manufacture and sales of home furniture and furniture parts. The Group's manufacturing operations have been disrupted in current financial quarter due to the ongoing COVID-19 pandemic.

The lower revenue was mainly attributable to the implementation of the Full Movement Control Order ("FMCO") effective from 1 June 2021 and subsequently the Phase One of Movement Control under the National Recovery Plan ("Phase One of NRP"). The Group's manufacturing activities were temporarily suspended from 1 June 2021 and had only been able to operate in full capacity from 20 September 2021, after fulfilment of the vaccination requirement.

(b) Results for financial year-to-date

The Group recorded a revenue of approximately RM41.98 million and profit before tax of approximately RM4.75 million for the current financial period ended 30 September 2021.

North America remains as our largest revenue contributor which contributed 45.97% of the total cumulative revenue for the current financial period ended 30 September 2021.

This is the fourth interim financial report on the Company's unaudited condensed consolidated financial results for the third (3rd) quarter ended 30 September 2021 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

B2 Comparison with Immediate Preceding Quarter Results

	Individual Quarter		Changes	
	Unaudited Current Quarter 30.09.2021 RM'000	Unaudited Preceding Quarter 30.06.2021 RM'000	RM'000	%
Revenue	1,315	14,737	(13,422)	(91.08)
(Loss)/Profit before tax	(1,155)	2,166	(3,321)	(153.32)

The Group's revenue for the current financial quarter ended 30 September 2021 decreased by approximately RM13.42 million or 91.08% to approximately RM1.32 million compared to RM14.74 million in the preceding financial quarter ended 30 June 2021. The decrease in

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021**

revenue was mainly due to the ongoing COVID-19 pandemic as well as disruptions in manufacturing operations as explained in Note B1(a).

The Group's (loss)/profit before tax for the current financial quarter ended 30 September 2021 decreased by approximately of RM3.32 million or 153.32% from a profit of RM2.17 million in the preceding financial quarter ended 30 June 2021 to a loss of RM1.16 million due to the decrease in revenue as a result of the ongoing COVID-19 pandemic as well as the disruptions as explained in Note B1(a) while continued to incur fixed costs.

B3 Prospect for the Current Financial Year

The Group operates within the furniture manufacturing industry in Malaysia. Many sectors of the economy including the furniture manufacturing industry have been adversely affected by the ongoing Covid-19 pandemic and the imposition of various movement control orders. In view of the above, structuring an optimized and efficient production environment shall be the key focus of the Group as its manufacturing activities resume its operation in full capacity.

The Group will also continue its effort to expand its market reach and presence especially in online segment of the business in view of the accelerating growth of the online businesses globally. The growth of online businesses is expected to create more demand and opportunities for businesses within the industry.

With reference to the statistic published by Malaysia Timber Council ("MTC"), Malaysia exported RM4.47 billion of wooden furniture to Americas from January 2021 to August 2021, representing approximately 68.60% of the total export of wooden furniture. With the high opportunities in Americas and the stable demand on home furniture from North America market, North America will remain as the Group's main market segment.

4th Quarter of 2021 is expected to remain challenging in view of the ongoing COVID-19 pandemic and the unforeseen circumstances arising from it. To ensure the Group remains competitive within the industry, the Group will continue its effort on design and development to expand its range of home furniture, as well as the marketing efforts to expand its customer base and export markets.

B4 Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021**
B5 Tax Expense

	Individual Quarter		Cumulative Quarter	
	Unaudited 30.09.2021 RM'000	Unaudited 30.09.2020 ⁽¹⁾ RM'000	Unaudited 30.09.2021 RM'000	Unaudited 30.09.2020 ⁽¹⁾ RM'000
(Overprovision)/Income tax expense	(319)	N/A	1,079	N/A

Note:

- (1) This is the fourth interim financial report on the Company's unaudited condensed consolidated financial results for the third (3rd) quarter ended 30 September 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

N/A – Not applicable

B6 Status of Corporate Proposals

Kenanga Investment Bank Berhad ("**Kenanga IB**") had on 16 August 2021 announced, on behalf of Mobilia, that the Company proposes to undertake the following:

- (i) a proposed bonus issue of shares of 300,000,000 new ordinary shares in Mobilia ("**Mobilia Shares**" or "**Shares**") ("**Bonus Shares**") on the basis of 3 Bonus Shares for every 4 existing Mobilia Shares held on an entitlement date to be determined and announced later ("**Bonus Issue of Shares**"); and
- (ii) a proposed issuance of up to 175,000,000 free warrants in Mobilia ("**Warrants**") on the basis of 1 Warrant for every 4 existing Mobilia Shares held on an entitlement date to be determined and announced later ("**Free Warrants Issue**").

(Collectively referred to as the "**Proposals**")

Kenanga IB had on 19 August 2021 announced on behalf of Mobilia, that the additional listing application in relation to the Proposals has been submitted to Bursa Securities on 19 August 2021.

Kenanga IB had on 28 September 2021 announced on behalf of Mobilia that Bursa Securities had, vide its letter dated 28 September 2021, approved the Proposals.

The resolutions of Proposals were voted and passed by the shareholders of the Company at an extraordinary general meeting via virtual meeting platform held on 20 October 2021.

The Bonus Shares has been completed following the listing and quotation of 299,999,992 Bonus Shares on the ACE Market of Bursa Securities on 5 November 2021.

The Free Warrants Issue has been completed following the listing and quotation of 174,999,136 Warrants on the ACE Market of Bursa Securities on 16 November 2021.

Save as disclosed above, there are no other corporate proposal announced but not implemented as at the date of this report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021**B7 Utilisation of Proceeds Raised from the IPO**

The gross proceeds arising from the IPO amounting to RM13.80 million and the status of the utilisation of the proceeds as at 30 September 2021 is stated in the following manner:

Details of Use of Proceeds	Proposed Utilisation	Actual Utilisation	Deviation	Balance	Estimated Timeframe for Utilisation Upon Listing ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000	
(1) Capital expenditure					
(a) Construction of office and showroom (Phase 1B)	2,500	-	-	2,500	Within 24 months
(b) Construction of Factory Blocks B and C (Phase 2)	3,300	-	-	3,300	Within 24 months
(c) Purchase of machineries	1,300	-	-	1,300	Within 24 months
	7,100	-	-	7,100	
(2) Repayment of borrowings	1,800	(1,800)	-	-	Within 1 month
(3) Working capital ⁽²⁾	1,900	(1,998)	98	-	Within 1 month
(4) Estimated listing ⁽²⁾ expenses	3,000	(2,902)	(98)	-	Within 1 month
	13,800	(6,700)	-	7,100	

Notes:

- (1) From the date of listing of the Company on the ACE Market of Bursa Securities on 23 February 2021.
- (2) The surplus amount to defray listing expenses was reallocated as working capital utilisation of the Group.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021

B8 Group's Borrowings and Debt Securities

The Group's borrowings are as follows:

	Unaudited As At 30.09.2021 RM'000	Audited As At 30.09.2020 ⁽¹⁾ RM'000
Non-current:		
Lease liabilities	1,593	N/A
Term loans	18,056	N/A
	19,649	N/A
Current:		
Trade bills	-	N/A
Lease liabilities	751	N/A
Term loans	2,385	N/A
	3,136	N/A
Total borrowings	22,785	N/A

Note:

(1) This is the fourth interim financial report on the Company's unaudited condensed consolidated financial results for the third (3rd) quarter ended 30 September 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

N/A – Not applicable

B9 Material Litigation

There were no material litigation involving the Group as at 30 September 2021.

B10 (Loss)/Earnings Per Share

The basic and diluted (loss)/earnings per share for the current financial quarter and financial year to date are computed as follows:

		Unaudited Current Quarter 30.09.2021 RM'000	Unaudited Current Year To Date 30.09.2021 RM'000
(Loss)/Profit after tax attributable to owners of the Company	(RM)	(836)	3,671
Number of ordinary shares ('000)	(shares)	400,000	400,000
Basic (loss)/earnings per share ⁽¹⁾	(sen)	(0.21)	0.92
Diluted (loss)/earnings per share ⁽²⁾	(sen)	N/A	N/A

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THRID (3rd) QUARTER ENDED
30 SEPTEMBER 2021**

Notes:

- (1) Basic (loss)/earnings per share is calculated based on the Company's weighted average number of ordinary shares as at 30 September 2021.
- (2) There are no dilutive potential equity instruments that would effect to the basic (loss)/earnings per share.

N/A – Not applicable

B11 Notes to the Statement of Comprehensive Income

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

	Unaudited Current Quarter 30.09.2021 RM'000	Unaudited Current Year To Date 30.09.2021 RM'000
Interest income	(118)	(192)
Gain on disposal of property, plant and equipment	-	(175)
Depreciation of property, plant and equipment	425	1,267
Depreciation of right-of-use assets	105	305
Interest expenses	199	642
Listing expenses	-	811
Property, plant and equipment written off	-	13
Unrealised loss on foreign exchange	6	17

Other disclosure items pursuant to Rule 16 of Appendix 9B of the Listing Requirements are not applicable.

B12 Proposed Dividends

There were no payment of dividend during the current financial quarter ended 30 September 2021.

**BY ORDER OF THE BOARD
MOBILIA HOLDINGS BERHAD
29 NOVEMBER 2021**