



MOBILIA HOLDINGS BERHAD

Registration No. 202001004249 (1360569-P)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE
THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2023**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2023UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Individual Quarter		Cumulative Quarter	
	Unaudited Current Year Quarter 30.09.2023 RM'000	Unaudited Preceding Year Corresponding Quarter 30.09.2022 RM'000	Unaudited Current Year To Date 30.09.2023 RM'000	Unaudited Preceding Year To Date 30.09.2022 RM'000
Revenue	22,238	18,018	55,711	69,509
Operating expenses	(19,152)	(14,394)	(49,476)	(56,016)
Other income	538	632	1,216	1,793
Finance Costs	(332)	(300)	(972)	(757)
Net impairment losses on financial assets	(250)	-	(250)	-
Profit before tax	3,042	3,956	6,229	14,529
Tax expense	(696)	(849)	(1,599)	(3,786)
Profit after tax	2,346	3,107	4,630	10,743
Other comprehensive income	-	-	-	-
Total comprehensive income	2,346	3,107	4,630	10,743
Profit after tax attributable to:				
- Owners of the Company	2,346	3,107	4,630	10,743
- Non-controlling interest	-	-	-	-
	2,346	3,107	4,630	10,743
Total comprehensive income attributable to:				
- Owners of the Company	2,346	3,107	4,630	10,743
- Non-controlling interest	-	-	-	-
	2,346	3,107	4,630	10,743
Attributable to equity holders of the company:				
- Basic earnings per share (sen) ⁽²⁾	0.34	0.44	0.66	1.53
- Diluted earnings per share (sen) ⁽³⁾	0.34	0.44	0.66	1.53

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other 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) Basic earnings per share is calculated based on the Company's weighted average number of ordinary shares at the end of the reporting period. (2023: 699,999,992 shares; 2022: 699,999,992 shares)
- (3) The diluted earnings per share is the same as basic earnings per share as the potential conversion of the Company's existing warrants is anti-dilutive. The potential conversion is anti-dilutive as the warrant's exercise price is higher than the average market price of the Company's ordinary shares.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2023UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 30.09.2023 RM'000	Audited As at 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	60,818	60,713
	<u>60,818</u>	<u>60,713</u>
Current assets		
Inventories	14,134	13,285
Trade receivables	6,302	7,893
Other receivables, deposits and prepayments	3,099	2,037
Short-term investments	4,629	3,548
Current tax assets	128	50
Fixed deposits with a licensed banks	7,816	8,380
Cash and bank balances	10,826	9,480
	<u>46,934</u>	<u>44,673</u>
TOTAL ASSETS	<u><u>107,752</u></u>	<u><u>105,386</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	36,696	36,696
Re-organisation reserve	(22,496)	(22,496)
Retained profits	52,061	47,431
TOTAL EQUITY	<u>66,261</u>	<u>61,631</u>
Non-current liabilities		
Borrowings	22,698	24,663
Deferred tax liabilities	3,019	2,919
	<u>25,717</u>	<u>27,582</u>
Current liabilities		
Trade payables	5,078	3,323
Other payables and accruals	3,525	5,300
Borrowings	7,171	7,541
Current tax liabilities	-	9
	<u>15,774</u>	<u>16,173</u>
TOTAL LIABILITIES	<u>41,491</u>	<u>43,755</u>
TOTAL EQUITY AND LIABILITIES	<u><u>107,752</u></u>	<u><u>105,386</u></u>
Net assets per ordinary share (RM) ⁽²⁾	<u>0.09</u>	<u>0.09</u>

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 2022 and the accompanying explanatory notes attached to this interim report.
- (2) Net assets per ordinary share is calculated based on the Company's weighted average number of ordinary shares at the end of the reporting period/year. (2023: 699,999,992 shares; 2022: 699,999,992 shares)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

	Share Capital RM'000	<u>Non-distributable</u> Re-organisation Reserve RM'000	<u>Distributable</u> Retained Profits RM'000	Total Equity RM'000
Unaudited				
Balance as at 1 January 2022	36,696	(22,496)	39,168	53,368
Profit after tax and total comprehensive income for the financial period	-	-	10,743	10,743
Contributions by and distributions to owners of the Company:				
- Dividend	-	-	(3,500)	(3,500)
Balance as at 30 September 2022	<u>36,696</u>	<u>(22,496)</u>	<u>46,411</u>	<u>60,611</u>
Unaudited				
Balance as at 1 January 2023	36,696	(22,496)	47,431	61,631
Profit after tax and total comprehensive income for the financial period	-	-	4,630	4,630
Balance as at 30 September 2023	<u>36,696</u>	<u>(22,496)</u>	<u>52,061</u>	<u>66,261</u>

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 30.09.2023 RM'000	Unaudited Preceding Corresponding Year To Date 30.09.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	6,229	14,529
Adjustments for:		
Depreciation of property, plant and equipment	2,295	1,850
Depreciation of right-of-use assets	-	6
Listing expenses	-	487
Gain on disposal of property, plant and equipment	(67)	(30)
Unrealised gain on foreign exchange	(33)	(220)
Allowance for impairment loss on trade receivable	250	-
Interest expenses	961	735
Interest income	(312)	(173)
Operating profit before working capital changes	9,323	17,184
Inventories	(849)	3,690
Trade receivables	1,341	1,547
Other receivables, deposits and prepayments	(1,062)	(387)
Trade payables	1,755	(2,139)
Other payables and accruals	(1,775)	(3,530)
CASH FROM OPERATIONS	8,733	16,365
Interest received	312	173
Tax paid	(1,802)	(1,445)
Tax refund	216	-
NET CASH FROM OPERATING ACTIVITIES	7,459	15,093
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiary, net cash and cash equivalents, acquired	-	(9,248)
Purchase of property, plant and equipment	(2,400)	(10,130)
Proceeds from disposal of property, plant and equipment	67	30
NET CASH FOR INVESTING ACTIVITIES	(2,333)	(19,348)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(3,500)
Drawdown of bankers' acceptances	8,034	16,866
Drawdown of term loans	338	8,610
Interest paid	(961)	(735)
Payment of listing expenses	-	(487)
Repayment of bankers' acceptances	(8,381)	(17,823)
Repayment of hire purchase payables	(702)	(587)
Repayment of lease liabilities	-	(6)
Repayment of term loans	(1,844)	(1,320)
Addition of hire purchase	220	70
NET CASH FROM FINANCING ACTIVITIES	(3,296)	1,088
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,830	(3,167)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	33	220
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	20,758	23,110
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	22,621	20,163
Cash and cash equivalents at end of the financial year comprises:		
Cash and bank balances	10,826	8,979
Fixed deposits with a licensed bank	7,816	8,311
Short-term investments	4,629	3,523
	23,271	20,813
Less: Fixed deposits pledged with licensed bank	(650)	(650)
	22,621	20,163

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 THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023

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 subsidiaries (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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes 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 2022.

The Group has not applied in advance the following accounting standards and/or interpretation (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the financial year ended 31 December 2022:

MFRSs and/or IC Interpretations

(Including The Consequential Amendments)

	Effective Date
MFRS 17 : Insurance Contracts	1 January 2023
Amendments to MFRS 10 : Sale or Contribution of Assets between an and MFRS 128 Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16 : Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17 : Insurance Contracts	1 January 2023
Amendment to MFRS 17 : Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101 : Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101 : Classification of Liabilities as Current or Non- current	1 January 2024
Amendments to MFRS 101 : Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 108 : Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 : Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023**

A3 Auditors' Report of Preceding Annual Financial Statements

The audited financial statements for the financial year ended 31 December 2022 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.

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

The Board of Directors does not recommend any dividend for the current financial quarter under review.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023**

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 30.09.2023	Unaudited 30.09.2022	Unaudited 30.09.2023	Unaudited 30.09.2022
	RM'000	RM'000	RM'000	RM'000
Asia (including Malaysia)	9,928	9,437	29,345	33,883
America	9,612	6,971	20,754	29,853
Europe	2,113	1,529	4,880	5,251
Africa	385	-	385	-
Australasia	200	81	347	522
Total	22,238	18,018	55,711	69,509

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

There was no material capital commitments as at 30 September 2023.

A12 Material Subsequent Event

There are no 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.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023**

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 significant related party transactions in the current financial quarter under review.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023**
**PART B – EXPLNATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
B1 Group Performance Review
Results for current quarter and financial year-to-date

	<u>Individual Quarter</u>				<u>Cumulative Quarter</u>			
	Unaudited Current Year Quarter 30.09.2023 RM'000	Unaudited Preceding Year Corresponding Quarter 30.09.2022 RM'000	Changes		Unaudited Current Year To Date 30.09.2023 RM'000	Unaudited Preceding Year Corresponding Year To Date 30.09.2022 RM'000	Changes	
			RM'000	%			RM'000	%
Revenue	22,238	18,018	4,220	23.42	55,711	69,509	(13,798)	(19.85)
Profit before tax	3,042	3,956	(914)	(23.10)	6,229	14,529	(8,300)	(57.13)

The Group's revenue for the current financial quarter ended 30 September 2023 increased by approximately RM4.22 million or 23.42% to approximately RM22.24 million as compared to RM18.02 million in the preceding year corresponding quarter ended 30 September 2022. The increase was mainly due to higher sales volume in American market in the current financial quarter under review.

The Group's profit before tax for the current financial quarter ended 30 September 2023 decreased by approximately RM0.91 million or 23.10% from RM3.96 million in the preceding year corresponding quarter ended 30 September 2022 to RM3.04 million. This was mainly due to the trade exhibition expenses and allowance for impairment loss on trade receivable.

The Group's revenue for the financial period ended 30 September 2023 decreased by approximately RM13.80 million or 19.85% to approximately RM55.71 million as compared to RM69.51 million in the preceding year corresponding financial period ended 30 September 2022. The Group's profit before tax for the current financial period ended 30 September 2023 decreased by approximately RM8.30 million or 57.13% from RM14.53 million in the preceding year corresponding period ended 30 September 2022 to RM6.23 million. The decrease was mainly due to lower sales volume generated in the first and second quarter of current financial period under review.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023**

B2 Comparison with Immediate Preceding Quarter Results

	Individual Quarter		Changes	
	Unaudited Current Quarter 30.09.2023 RM'000	Unaudited Preceding Quarter 30.06.2023 RM'000	RM'000	%
Revenue	22,238	17,312	4,926	28.45
Profit before tax	3,042	1,747	1,295	74.13

The Group's revenue for the current financial quarter ended 30 September 2023 increased by approximately RM4.93 million or 28.45% to approximately RM22.24 million as compared to RM17.31 million in the preceding financial quarter ended 30 June 2023. The increase was mainly due to higher sales volume.

The Group's profit before tax for the current financial quarter ended 30 September 2023 increased by approximately RM1.30 million or 74.13% to RM3.04 million as compared to RM1.75 million in the preceding financial quarter ended 30 June 2023. The increase in profit before tax was mainly attributable to the higher sales revenue contribution in the current financial quarter under review.

B3 Prospects

The Group expects to face the challenges of global economic uncertainties, global inflationary pressure and increased wages in the following quarter. The relatively strong USD against RM is expected to partially cushion the negative impact as majority of the Group's revenue are denominated in USD.

In view of the above, the Group will continue to place marketing efforts to expand customer base and export markets, design and development efforts to expand range of home furniture, as well as maintaining a stable supply chain and efficient manufacturing operations. The Group will take necessary measures to meet the challenges ahead, and monitor the business and financial performance closely.

Barring any unforeseen circumstances, the Group expects the financial performance for the financial year 2023 to be satisfactory.

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 THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023**
B5 Tax Expense

	Individual Quarter		Cumulative Quarter	
	Unaudited 30.09.2023 RM'000	Unaudited 30.09.2022 RM'000	Unaudited 30.09.2023 RM'000	Unaudited 30.09.2022 RM'000
Current tax expense:				
Current financial period	696	411	1,499	2,969
	<u>696</u>	<u>411</u>	<u>1,499</u>	<u>2,969</u>
Deferred tax expense:				
Origination of temporary differences	-	438	100	517
Underprovision in previous financial year	-	-	-	300
Total tax expense	<u>696</u>	<u>849</u>	<u>1,599</u>	<u>3,786</u>
Effective tax rate ⁽¹⁾	22.88%	21.46%	25.67%	26.06%

Note:

(1) The Group's effective tax rate for the current financial quarter is lower than statutory tax rate of 24%.

B6 Status of Corporate Proposals

There is no other corporate proposal announced but not implemented as at the date of this report.

B7 Group's Borrowings and Debt Securities

The Group's borrowings are as follows:

	Unaudited As At 30.09.2023 RM'000	Unaudited As At 30.09.2022 RM'000
Non-current (secured):		
Hire purchase payables	911	973
Term loans	21,787	23,892
	<u>22,698</u>	<u>24,856</u>
Current (secured):		
Trade bills	2,975	3,374
Hire purchase payables	755	819
Term loans	3,441	3,433
	<u>7,171</u>	<u>7,626</u>
Total borrowings	29,869	32,491

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023**

B8 Material Litigation

There were no material litigation involving the Group as at 30 September 2023.

B9 Earnings Per Share

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

		<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		<u>Unaudited</u> <u>30.09.2023</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.09.2022</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.09.2023</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.09.2022</u> <u>RM'000</u>
Profit after tax attributable to owners of the Company	(RM)	2,346	3,107	4,630	10,743
Weighted average number of ordinary shares ('000)	(shares)	700,000	700,000	700,000	700,000
Basic earnings per share ⁽¹⁾	(sen)	0.34	0.44	0.66	1.53
Diluted earnings per share ⁽²⁾	(sen)	0.34	0.44	0.66	1.53

Notes:

- (1) Basic earnings per share is calculated based on the Company's weighted average number of ordinary shares at the end of the reporting period.
- (2) The diluted earnings per share is the same as basic earnings per share as the potential conversion of the Company's existing warrants is anti-dilutive. The potential conversion is anti-dilutive as the warrant's exercise price is higher than the average market price of the Company's ordinary shares.

B10 Notes to the Statement of Profit or Loss and Other Comprehensive Income

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

	Unaudited Current Quarter 30.09.2023 RM'000	Unaudited Current Year To Date 30.09.2023 RM'000
Fair value gain on financial assets measured at fair value	(30)	(81)
Interest income	(107)	(312)
Gain on disposal of property, plant and equipment	-	(67)
Realised gain on foreign exchange	(302)	(622)
Unrealised gain on foreign exchange	(32)	(33)
Depreciation of property, plant and equipment	779	2,295
Interest expenses	328	961
Allowance for impairment loss on trade receivable	250	250

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

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2023**

B11 Proposed Dividends

The Board of Directors does not recommend any dividend for the current financial quarter under review.

**BY ORDER OF THE BOARD
MOBILIA HOLDINGS BERHAD
28 NOVEMBER 2023**