



MOBILIA HOLDINGS BERHAD

Registration No. 202001004249 (1360569-P)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE
FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2023**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Individual Quarter		Cumulative Quarter	
	Unaudited Current Year Quarter 31.12.2023 RM'000	Unaudited Preceding Year Corresponding Quarter 31.12.2022 RM'000	Unaudited Current Year To Date 31.12.2023 RM'000	Audited Preceding Corresponding Year To Date 31.12.2022 RM'000
Revenue	26,533	15,442	82,244	84,951
Operating expenses	(22,478)	(13,963)	(71,954)	(69,979)
Other income	319	246	1,535	2,039
Finance Costs	(325)	(317)	(1,297)	(1,074)
Net impairment losses on financial assets	-	-	(250)	-
Profit before tax	4,049	1,408	10,278	15,937
Tax expense	(451)	(388)	(2,050)	(4,174)
Profit after tax	3,598	1,020	8,228	11,763
Other comprehensive income	-	-	-	-
Total comprehensive income	3,598	1,020	8,228	11,763
Profit after tax attributable to:				
- Owners of the Company	3,598	1,020	8,228	11,763
- Non-controlling interest	-	-	-	-
	3,598	1,020	8,228	11,763
Total comprehensive income attributable to:				
- Owners of the Company	3,598	1,020	8,228	11,763
- Non-controlling interest	-	-	-	-
	3,598	1,020	8,228	11,763
Attributable to equity holders of the company:				
- Basic earnings per share (sen) ⁽²⁾	0.51	0.15	1.18	1.68
- Diluted earnings per share (sen) ⁽³⁾	0.51	0.15	1.18	1.68

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 FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2023UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	Unaudited As at 31.12.2023 RM'000	Audited As at 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	60,215	60,713
	60,215	60,713
Current assets		
Inventories	14,648	13,285
Trade receivables	8,623	7,893
Other receivables, deposits and prepayments	3,011	2,037
Short-term investments	4,666	3,548
Current tax assets	110	50
Fixed deposits with a licensed banks	7,890	8,380
Cash and bank balances	15,718	9,480
	54,666	44,673
TOTAL ASSETS	114,881	105,386
EQUITY AND LIABILITIES		
Equity		
Share capital	36,696	36,696
Re-organisation reserve	(22,496)	(22,496)
Retained profits	55,659	47,431
TOTAL EQUITY	69,859	61,631
Non-current liabilities		
Borrowings	22,717	24,663
Deferred tax liabilities	3,019	2,919
	25,736	27,582
Current liabilities		
Trade payables	5,809	3,323
Other payables and accruals	6,642	5,300
Borrowings	6,835	7,541
Current tax liabilities	-	9
	19,286	16,173
TOTAL LIABILITIES	45,022	43,755
TOTAL EQUITY AND LIABILITIES	114,881	105,386
Net assets per ordinary share (RM) ⁽²⁾	0.10	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 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 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
Audited				
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	-	-	11,763	11,763
Contributions by and distributions to owners of the Company:				
- Dividend	-	-	(3,500)	(3,500)
Balance as at 31 December 2022	<u>36,696</u>	<u>(22,496)</u>	<u>47,431</u>	<u>61,631</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	-	-	8,228	8,228
Balance as at 31 December 2023	<u>36,696</u>	<u>(22,496)</u>	<u>55,659</u>	<u>69,859</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 31.12.2023 RM'000	Audited Preceding Corresponding Year To Date 31.12.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,278	15,937
Adjustments for:		
Depreciation of property, plant and equipment	3,049	2,570
Depreciation of right-of-use assets	-	6
Listing expenses	-	685
Gain on disposal of property, plant and equipment	(67)	(30)
Property, plant and equipment written off	-	4
Unrealised loss/(gain) on foreign exchange	119	(25)
Allowance for impairment loss on trade receivable	250	-
Interest expenses	1,282	1,048
Interest income	(452)	(261)
Operating profit before working capital changes	14,459	19,934
Inventories	(1,363)	1,791
Trade receivables	(980)	3,381
Other receivables, deposits and prepayments	(231)	98
Trade payables	2,486	(2,386)
Other payables and accruals	2,002	(1,398)
CASH FROM OPERATIONS	16,373	21,420
Interest received	452	261
Tax paid	(2,235)	(3,016)
Tax refund	216	-
NET CASH FROM OPERATING ACTIVITIES	14,806	18,665
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiary, net cash and cash equivalents, acquired	-	(9,248)
Deposit paid for purchase of property, plant & equipment	(743)	(34)
Purchase of property, plant and equipment	(2,991)	(11,453)
Proceeds from disposal of property, plant and equipment	67	30
NET CASH FOR INVESTING ACTIVITIES	(3,667)	(20,705)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(3,500)
Drawdown of bankers' acceptances	11,014	20,188
Drawdown of term loans	905	8,610
Interest paid	(1,282)	(1,048)
Payment of listing expenses	-	(685)
Repayment of bankers' acceptances	(11,356)	(21,197)
Repayment of hire purchase payables	(949)	(788)
Repayment of lease liabilities	-	(6)
Repayment of term loans	(2,486)	(1,911)
NET CASH FROM FINANCING ACTIVITIES	(4,154)	(337)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	6,985	(2,377)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(119)	25
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	20,758	23,110
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	27,624	20,758
Cash and cash equivalents at end of the financial year comprises:		
Cash and bank balances	15,718	9,480
Fixed deposits with a licensed bank	7,890	8,380
Short-term investments	4,666	3,548
	28,274	21,408
Less: Fixed deposits pledged with licensed bank	(650)	(650)
	27,624	20,758

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 FOURTH (4TH) QUARTER ENDED
31 DECEMBER 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 2023:

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective Date
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an 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 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 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

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.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED
31 DECEMBER 2023**

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 FOURTH (4TH) QUARTER ENDED
31 DECEMBER 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 31.12.2023	Unaudited 31.12.2022	Unaudited 31.12.2023	Audited 31.12.2022
	RM'000	RM'000	RM'000	RM'000
Asia (including Malaysia)	13,529	9,836	42,874	43,719
America	10,814	4,698	31,568	34,551
Europe	1,457	808	6,337	6,059
Australasia	394	100	741	622
Africa	339	-	724	-
Total	26,533	15,442	82,244	84,951

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 31 December 2023 was as follows:

	Unaudited As at 31.12.2023 RM'000
Contracted but not provided for	
Renovation of showroom	589
Purchase of machinery	263
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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.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED
31 DECEMBER 2023**

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

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED
31 DECEMBER 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 31.12.2023 RM'000	Unaudited Preceding Year Corresponding Quarter 31.12.2022 RM'000	Changes		Unaudited Current Year To Date 31.12.2023 RM'000	Audited Preceding Year Corresponding Year To Date 31.12.2022 RM'000	Changes	
			RM'000	%			RM'000	%
Revenue	26,533	15,442	11,091	71.82	82,244	84,951	(2,707)	(3.19)
Profit before tax	4,049	1,408	2,641	187.57	10,278	15,937	(5,659)	(35.51)

The Group's revenue for the current financial quarter ended 31 December 2023 increased by approximately RM11.09 million or 71.82% to approximately RM26.53 million as compared to RM15.44 million in the preceding year corresponding quarter ended 31 December 2022. The increase was mainly due to higher sales volume from America and Asia (including Malaysia) in the current financial quarter under review.

The Group's profit before tax for the current financial quarter ended 31 December 2023 increased by approximately RM2.64 million or 187.57% from RM1.41 million in the preceding year corresponding quarter ended 31 December 2022 to RM4.05 million. The increase in profit before tax was mainly attributable to the higher sales revenue contribution in the current financial quarter under review despite the setback of inventory loss of RM0.48 million in a fire incident at subcontractor's factory, of which insurance claim is in progress.

The Group's revenue for the financial period ended 31 December 2023 decreased by approximately RM2.71 million or 3.19% to approximately RM82.24 million as compared to RM84.95 million in the preceding year corresponding financial period ended 31 December 2022. The Group's profit before tax for the current financial period ended 31 December 2023 decreased by approximately RM5.66 million or 35.51% from RM15.94 million in the preceding year corresponding period ended 31 December 2022 to RM10.28 million. The decrease in profit before tax was mainly due to trade exhibition expenses, allowance for impairment loss on trade receivable and inventory loss in fire incident.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2023

B2 Comparison with Immediate Preceding Quarter Results

	Individual Quarter		Changes	
	Unaudited Current Quarter 31.12.2023 RM'000	Unaudited Preceding Quarter 30.09.2023 RM'000	RM'000	%
Revenue	26,533	22,238	4,295	19.31
Profit before tax	4,049	3,042	1,007	33.10

The Group's revenue for the current financial quarter ended 31 December 2023 increased by approximately RM4.30 million or 19.31% to approximately RM26.53 million as compared to RM22.24 million in the preceding financial quarter ended 30 September 2023. The increase was mainly due to higher sales volume.

The Group's profit before tax for the current financial quarter ended 31 December 2023 increased by approximately RM1.01 million or 33.10% to RM4.05 million as compared to RM3.04 million in the preceding financial quarter ended 30 September 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 will emphasize continuous enhancement of operational efficiency to increase competitiveness among global furniture players. This includes implementing a transformation program focused on increasing production efficiency and enhancing product quality. Additionally, ongoing production automation efforts will further improve product precision.

In tandem, the Group will expand its market reach through participation in international trade fairs, overseas sales visits, and development of new products to attract and retain customers, thereby securing new sales orders.

Considering the prevailing global economic uncertainties, the Group is proactively planning and implementing measures to mitigate risks and challenges, while closely monitoring business performance.

Barring any unforeseen circumstances, the group holds a cautiously optimistic outlook for its financial performance in 2024.

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 FOURTH (4TH) QUARTER ENDED
31 DECEMBER 2023**
B5 Tax Expense

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.12.2023 RM'000	Unaudited 31.12.2022 RM'000	Unaudited 31.12.2023 RM'000	Audited 31.12.2022 RM'000
Current tax expense:				
Current financial period	1,039	152	2,538	3,121
Overprovision in previous financial year	(588)	(113)	(588)	(113)
	<u>451</u>	<u>39</u>	<u>1,950</u>	<u>3,008</u>
Deferred tax expense:				
Origination of temporary differences	-	119	100	636
Underprovision in previous financial year	-	230	-	530
Total tax expense	<u>451</u>	<u>388</u>	<u>2,050</u>	<u>4,174</u>
Effective tax rate ⁽¹⁾	11.14%	27.56%	19.95%	26.19%

Note:

(1) The Group's effective tax rate for the current financial quarter and financial year ended 31 December 2023 are 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 31.12.2023 RM'000	Audited As At 31.12.2022 RM'000
Non-current (secured):		
Hire purchase payables	810	1,201
Term loans	21,907	23,462
	<u>22,717</u>	<u>24,663</u>
Current (secured):		
Trade bills	2,980	3,322
Hire purchase payables	609	947
Term loans	3,246	3,272
	<u>6,835</u>	<u>7,541</u>
Total borrowings	29,552	32,204

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED
31 DECEMBER 2023**

B8 Material Litigation

There were no material litigation involving the Group as at 31 December 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:

		Individual Quarter		Cumulative Quarter	
		Unaudited 31.12.2023 RM'000	Unaudited 31.12.2022 RM'000	Unaudited 31.12.2023 RM'000	Audited 31.12.2022 RM'000
Profit after tax attributable to owners of the Company	(RM)	3,598	1,020	8,228	11,763
Weighted average number of ordinary shares ('000)	(shares)	700,000	700,000	700,000	700,000
Basic earnings per share ⁽¹⁾	(sen)	0.51	0.15	1.18	1.68
Diluted earnings per share ⁽²⁾	(sen)	0.51	0.15	1.18	1.68

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 31.12.2023 RM'000	Unaudited Current Year To Date 31.12.2023 RM'000
Fair value gain on financial assets measured at fair value	(37)	(118)
Interest income	(140)	(452)
Gain on disposal of property, plant and equipment	-	(67)
Realised gain on foreign exchange	(160)	(782)
Unrealised loss on foreign exchange	152	119
Depreciation of property, plant and equipment	754	3,049
Interest expenses	321	1,282
Allowance for impairment loss on trade receivable	-	250

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

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED
31 DECEMBER 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 FEBRUARY 2024**