



FACB INDUSTRIES INCORPORATED BERHAD  
197901004632 (48850-K)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME For The Fourth Quarter Ended 30 June 2022**  
*(The figures have not been audited)*

	<b>Current Quarter Ended 30/06/2022 RM'000</b>	<b>Comparative Quarter Ended 30/06/2021 RM'000</b>	<b>Current Year Ended 30/06/2022 RM'000</b>	<b>Comparative Year Ended 30/06/2021 RM'000</b>
Revenue	13,959	7,949	47,751	45,300
Cost of sales	(8,537)	(5,381)	(30,357)	(28,702)
Gross profit	5,422	2,568	17,394	16,598
Other income	1,088	2,266	4,378	5,449
Operating expenses	(4,277)	(3,778)	(16,066)	(18,167)
Finance costs	(27)	(42)	(124)	(186)
Share of results of associates, net of tax	1,932	(2,953)	6,653	(311)
Profit/(Loss) before tax	4,138	(1,939)	12,235	3,383
Tax expense	(513)	(254)	(1,711)	(1,934)
Net Profit/(Loss) for the period	3,625	(2,193)	10,524	1,449
<b>Other comprehensive (loss)/income:</b>				
Foreign currency translation	(103)	292	717	734
Fair value adjustment of: - financial assets at fair value through other comprehensive income ("FVTOCI")	(10,176)	(13,567)	(10,176)	(13,567)
Total comprehensive (loss)/income for the period	(6,654)	(15,468)	1,065	(11,384)
<b>Profit/(Loss) attributable to:</b>				
Owners of the parent	2,558	(887)	7,298	1,416
Non-controlling interests	1,067	(1,306)	3,226	33
	3,625	(2,193)	10,524	1,449
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the parent	(7,674)	(14,373)	(2,481)	(11,825)
Non-controlling interests	1,020	(1,095)	3,546	441
	(6,654)	(15,468)	1,065	(11,384)
<b>Earnings/(Loss) per share for profit/(loss) attributable to owners of the parent:</b>				
Basic and diluted (sen)	3.05	(1.06)	8.70	1.69

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2021)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**As At 30 June 2022**

	Unaudited <b>As At 30/06/2022 RM'000</b>	Audited <b>As At 30/06/2021 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	3,049	3,411
Right-of-use assets	1,775	2,710
Intangible assets	67	101
Investment in associates	24,783	20,401
Financial asset at amortised cost	29,743	9,956
Financial asset at fair value through other comprehensive income ("FVTOCI")	13,567	23,743
	72,984	60,322
<b>Current Assets</b>		
Inventories	5,933	6,942
Trade and other receivables	10,580	7,524
Deposits, cash and bank balances	149,695	163,498
	166,208	177,964
<b>TOTAL ASSETS</b>	239,192	238,286
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	114,152	114,152
Treasury shares	(1,225)	(1,225)
Other reserves	(18,426)	(8,670)
Retained earnings	117,420	110,145
	211,921	214,402
Non-controlling interests	15,139	14,339
<b>TOTAL EQUITY</b>	227,060	228,741
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Lease liabilities	524	1,403
Deferred tax liabilities	186	163
	710	1,566
<b>Current Liabilities</b>		
Trade and other payables	7,565	5,610
Contract liability	3,025	1,472
Lease liabilities	832	882
Tax liabilities	-	15
	11,422	7,979
<b>TOTAL LIABILITIES</b>	12,132	9,545
<b>TOTAL EQUITY AND LIABILITIES</b>	239,192	238,286
Net Assets per share (RM)	2.53	2.56

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2021)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****For The Period Ended 30 June 2022***(The figures have not been audited)*

	← Attributable to Owners of the Parent →					Non-Controlling Interests	Total Equity
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings	Total		
<b>In RM'000</b>							
<b>At 1 July 2021</b>	114,152	(1,225)	(8,670)	110,145	214,402	14,339	228,741
Net profit for the period	-	-	-	7,298	7,298	3,226	10,524
Other comprehensive (loss)/income							
- Foreign currency translation	-	-	397	-	397	320	717
- Fair value loss on financial assets at FVTOCI	-	-	(10,176)	-	(10,176)	-	(10,176)
Total comprehensive (loss)/income for the period	-	-	(9,779)	7,298	(2,481)	3,546	1,065
Transfer of reserves of a subsidiary	-	-	23	(23)	-	-	-
Dividend to non-controlling interest	-	-	-	-	-	(2,746)	(2,746)
Total transactions with owners	-	-	23	(23)	-	(2,746)	(2,746)
<b>At 30 June 2022</b>	114,152	(1,225)	(18,426)	117,420	211,921	15,139	227,060
<b>At 1 July 2020</b>	114,152	(1,225)	4,526	108,774	226,227	13,961	240,188
Net profit for the period	-	-	-	1,416	1,416	33	1,449
Other comprehensive (loss)/income							
- Foreign currency translation	-	-	326	-	326	408	734
- Fair value loss on financial assets at FVTOCI	-	-	(13,567)	-	(13,567)	-	(13,567)
Total comprehensive (loss)/income for the period	-	-	(13,241)	1,416	(11,825)	441	(11,384)
Transfer of reserves of a subsidiary	-	-	45	(45)	-	-	-
Dividend to non-controlling interest	-	-	-	-	-	(63)	(63)
Total transactions with owners	-	-	45	(45)	-	(63)	(63)
<b>At 30 June 2021</b>	114,152	(1,225)	(8,670)	110,145	214,402	14,339	228,741

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2021)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

**For The Period Ended 30 June 2022**

*(The figures have not been audited)*

	<b>Current Year Ended 30/06/2022 RM'000</b>	<b>Comparative Year Ended 30/06/2021 RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before tax	12,235	3,383
Adjustments for:		
Accretion of discount on financial asset at amortised cost	(27)	(11)
Amortisation of intangible assets	34	49
Depreciation of right-of-use assets	865	887
Depreciation of property, plant and equipment	421	410
Gain on derecognition of an associate	-	(183)
Gain on disposal of property, plant and equipment	(2)	(37)
Gain on early termination of lease	-	(4)
Impairment loss on trade receivables	71	217
Interest expense on lease liabilities	124	186
Interest income	(3,788)	(3,721)
Inventories written down	95	54
Reversal of impairment loss on trade receivables	(45)	(1,131)
Reversal of inventories written down	(115)	(51)
Share of results of associates, net of tax	(6,653)	311
Unrealised (gain)/ loss on foreign exchange	(1)	4
Operating profit before working capital changes	3,214	363
Net changes in current assets	(1,805)	(523)
Net changes in current liabilities	1,937	1,806
Net changes in contract liability	1,553	344
Cash generated from operations	4,899	1,990
Tax paid	(1,915)	(2,193)
Tax refunded	62	8
Net cash generated from/(used in) operating activities	3,046	(195)
<b>Cash Flows from Investing Activities</b>		
Acquisition of financial assets at amortised cost	(19,760)	-
Dividend received from associates	2,966	2,786
Interest received	3,710	3,490
Net withdrawal/ (placement) of deposits placed with licensed banks with maturity more than three (3) months	19,533	(860)
Proceeds from disposal of property, plant and equipment	2	37
Purchase of property, plant and equipment	(59)	(512)
Net cash generated from investing activities	6,392	4,941
<b>Cash Flows from Financing Activities</b>		
Dividend paid to non-controlling interest by subsidiaries	(2,746)	(63)
Payment of lease liabilities	(983)	(988)
Net cash used in financing activities	(3,729)	(1,051)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For The Period Ended 30 June 2022 (Cont'd)**

*(The figures have not been audited)*

	<b>Current Year Ended 30/06/2022 RM'000</b>	<b>Comparative Year Ended 30/06/2021 RM'000</b>
Net increase in cash and cash equivalents	5,709	3,695
Effects of exchange rate changes on cash and cash equivalents	21	29
Cash and cash equivalents at beginning of the period	10,918	7,198
Cash and cash equivalents at end of the period	16,648	10,918
Cash and cash equivalents comprise :-		
Deposits with licensed banks	136,966	154,583
Cash and bank balances	12,729	8,915
	149,695	163,498
Deposits placed with licensed banks with maturity more than three (3) months	(133,047)	(152,580)
	16,648	10,918

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2021)**

## NOTES (IN COMPLIANCE WITH MFRS 134)

### A1 Basis of Preparation

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). The unaudited condensed consolidated interim financial statements also comply with IAS 34 *Interim Financial Reporting* issued by International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2021.

The explanatory notes to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group.

The significant accounting policies and methods of computation adopted are consistent with those of the audited financial statements for the financial year ended 30 June 2021 except for the adoption of the following Amendments of the MFRS Framework that were issued by the MASB during the financial period:-

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 Interest Rate Benchmark Reform-Phase 2	1 January 2021

The adoption of the above Amendments did not have any material impact on the Group’s financial statements.

As at the date of authorisation of the interim financial statements, the Group has not applied the following MFRS Framework that have been issued by the MASB but are not yet effective for the Group:-

<b>Title</b>	<b>Effective Date</b>
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 19-Comparative Information</i>	1 January 2023

## NOTES (IN COMPLIANCE WITH MFRS 134)

### A1 Basis of Preparation (cont'd)

As at the date of authorisation of the interim financial statements, the Group has not applied the following MFRS Framework that have been issued by the MASB but are not yet effective for the Group (cont'd):-

Title	Effective Date
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

### A2 Qualification of Financial Statements

The Group's most recent annual audited financial statements for the year ended 30 June 2021 was not qualified.

### A3 Seasonal or Cyclical Factors

The Group's operations for the current quarter and financial year ended 30 June 2022 were not materially affected by any seasonal or cyclical factors.

### A4 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year ended 30 June 2022.

### A5 Nature and Amount of Changes in Estimates

There were no changes in estimates of amounts reported in the previous interim period of the current financial year or changes in estimate of amounts reported in the previous financial years which have a material effect in the current quarter or the current financial year ended 30 June 2022.

### A6 Debt and Equity Securities

There were no issuance, repurchase and repayment of debts and equity securities during the current quarter. As at 30 June 2022, total shares repurchased were 1,279,700 and all the shares repurchased were held as treasury shares.

### A7 Dividend Paid

No dividend was paid during the current quarter and financial year ended 30 June 2022.

### A8 Reportable Segments

	<u>Bedding</u>	All Other <u>Segments</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<b>For Current Year</b>				
<b>Ended 30 June 2022</b>				
External revenue	47,751	-		47,751
Inter-segment revenue	-	9,699	(9,699)	-
Total	47,751	9,699	(9,699)	47,751

**NOTES (IN COMPLIANCE WITH MFRS 134)**

**A8 Reportable Segments (cont'd)**

	<u>Bedding</u>	<u>All Other</u> <u>Segments</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<b>For Current Year</b>				
<b>Ended 30 June 2022</b>				
Segment results:				
Interest expense on lease liabilities	64	60	-	124
Interest income	26	3,762	-	3,788
Amortisation of intangible assets	34	-	-	34
Depreciation of right-of-use assets	580	285	-	865
Depreciation of property, plant and equipment	381	40	-	421
Reportable segment profit before tax	4,241	1,341	-	5,582
Share of results of associates	-	6,653	-	6,653
<b>Total</b>	<b>4,241</b>	<b>7,994</b>	<b>-</b>	<b>12,235</b>
<b>For Comparative Year</b>				
<b>Ended 30 June 2021</b>				
External revenue	45,300	-	-	45,300
Inter-segment revenue	-	7,692	(7,692)	-
<b>Total</b>	<b>45,300</b>	<b>7,692</b>	<b>(7,692)</b>	<b>45,300</b>
Segment results:				
Interest expense on lease liabilities	96	113	(23)	186
Interest income	28	3,693	-	3,721
Amortisation of intangible assets	49	-	-	49
Depreciation of right-of-use assets	562	325	-	887
Depreciation of property, plant and equipment	375	35	-	410
Reportable segment profit before tax	4,275	(581)	-	3,694
Share of results of associates	-	(311)	-	(311)
<b>Total</b>	<b>4,275</b>	<b>(892)</b>	<b>-</b>	<b>3,383</b>

**A9 Material Events Subsequent to the End of the Quarter under Review**

There were no material events from the end of the quarter to 18 August 2022 (the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report) that has not been reflected in the current quarter and financial year ended 30 June 2022.

**A10 Effect of Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial year ended 30 June 2022.

**A11 Changes in Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets as at the date of this report which may have a material impact on the financial position of the Group.



## ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB

### B1 Performance Review

#### (a) Current Quarter vs Preceding Year Comparative Quarter

For the current quarter, the Group reported a profit before tax (PBT) of RM4.14 million on the back of RM13.96 million in revenue as compared with loss before tax (LBT) of RM1.94 million and revenue of RM7.95 million in the preceding year comparative quarter. The higher revenue and PBT for the current quarter were attributable to higher revenue reported from Bedding Malaysia operation and higher profit contribution from associates.

Bedding Malaysia operation recorded PBT of RM1.81 million compared to PBT of RM0.58 million registered in the preceding year comparative quarter on the back of higher revenue. Revenue reported at RM13.59 million for current quarter increased by RM6.34 million or 87% as compared to RM7.25 million in the corresponding preceding year quarter due to higher consumer sales. Associates in power generation operation in China contributed a net profit of RM1.93 million for the current quarter due to positive operating performance and one time gain in reversal of assets impairment. Loss incurred in the preceding year comparative quarter was due to assets impairment amounted to RM3.42 million.

#### (b) Current Year vs Preceding Year

For the current financial year ended 30 June 2022, the Group registered higher revenue of RM47.75 million compared to RM45.30 million registered in the preceding year, representing sales growth of RM2.45 million or 5%. In line with improved sales performance and higher profit contribution from associates, the Group recorded a higher PBT of RM12.24 million as compared to RM3.38 million in the preceding year.

Bedding Malaysia operation reported higher PBT of RM4.04 million compared to RM4.03 million in the preceding year. Revenue increased by 8% to RM45.44 million from RM42.21 million. Associates contributed higher net profit of RM6.65 million against loss of RM0.31 million due to better operating performance and contribution from one time gains totaled RM4.40 million.

### B2 Material Change in the Profit Before Tax as compared with the Immediate Preceding Quarter

The Group registered lower revenue of RM13.96 million for the current quarter compared to RM15.75 million registered in the immediate preceding quarter ended 31 March 2022, representing sales reduction of RM1.79 million or 11%. However, the Group recorded a higher PBT of RM4.14 million for the current quarter as compared to RM2.34 million in the immediate preceding quarter. The increase was mainly due to improved profit margin from bedding operations coupled with reversal of assets impairment of RM1.44 million recorded in the current quarter.

### B3 Prospects of Next Financial Year

The Group expects its performance in the next financial year to be satisfactory in view of the improved customers' confidence from the full opening of domestic economy. At the same time, we are cautious that the economy growth will be moderated in the second half of the financial year.

The Group will continue to focus on the improvement of the operational efficiencies to deliver customer satisfaction. New products will be introduced to penetrate into new markets to improve sales and profitability.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB**

**B4 Achievability of Forecast Profit**

This note is not applicable.

**B5 Variance of Actual Profit from Forecast Profit or Profit Guarantee**

This note is not applicable.

**B6 Notes to the Condensed Consolidated Statement of Profit or Loss**

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

	Current Quarter Ended <u>30/06/2022</u> RM'000	Comparative Quarter Ended <u>30/06/2021</u> RM'000	Current Year Ended <u>30/06/2022</u> RM'000	Current Year Ended <u>30/06/2021</u> RM'000
Accretion of discount on financial asset at amortised cost	(8)	(3)	(27)	(11)
Amortisation of intangible assets	8	16	34	49
Depreciation of right-of-use assets	220	209	865	887
Depreciation of property, plant and equipment	106	95	421	410
Gain on deregistration of an associate	-	(183)	-	(183)
Gain on disposal of property, plant and equipment	(2)	(34)	(2)	(37)
Gain on early termination of leases	-	-	-	(4)
(Gain)/ Loss on foreign exchange	(1)	5	(1)	28
Impairment loss on trade receivables	(165)	174	71	217
Interest expense on lease liabilities	27	42	124	186
Interest income	(976)	(890)	(3,788)	(3,721)
Inventories written down	95	54	95	54
Reversal of impairment loss on trade receivables	(40)	(981)	(45)	(1,131)
Reversal of inventories written down	(115)	(51)	(115)	(51)

Apart from the above, there was no write off of receivables, write off of inventories, impairment of assets, gain or loss on disposal of quoted investments, gain or loss on derivatives and other material items for the current quarter and financial year ended 30 June 2022.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB**

**B7 Tax expense**

Tax expense comprises the following:-

	Current Quarter Ended <u>30/06/2022</u> RM'000	Comparative Quarter Ended <u>30/06/2021</u> RM'000	Current Year Ended <u>30/06/2022</u> RM'000	Comparative Year Ended <u>30/06/2021</u> RM'000
<u>Current tax</u>				
Current year - Malaysia	513	257	1,409	1,648
- Foreign	1	1	303	290
Overprovision in prior year				
- Malaysia	(1)	(20)	(1)	(20)
<u>Deferred tax – Malaysia</u>				
Origination and reversal of temporary differences	-	(83)	-	(83)
Under provision in prior year	-	99	-	99
Total tax expense	<u>513</u>	<u>254</u>	<u>1,711</u>	<u>1,934</u>

The effective tax rate of the Group (excluding the share of results of associates) for the current quarter was lower than the statutory rate due principally to certain income which is not subject to tax. As for the financial year ended 30 June 2022, the effective tax rate of the Group (excluding the share of results of associates) was higher than the statutory rate due principally to certain expenses not being deductible for tax purposes.

**B8 Status of Corporate Proposals**

There were no outstanding corporate proposals that has been announced but not completed as at the date of this quarterly report.

**B9 Group Borrowing**

There was no borrowing as at 30 June 2022.

**B10 Derivative Financial Instruments**

The Group has no outstanding derivative financial instruments as at 30 June 2022.

**B11 Changes in Material Litigation**

The Group is not engaged in any material litigation as at the date of this report which will have a material effect on the financial position of the Group.

**B12 Dividend Proposed or Declared**

No interim dividend has been recommended by the Board of Directors in respect of the current quarter and financial year ended 30 June 2022.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB**

**B13 Earnings/(Loss) per Share**

The earnings/(loss) per share (basic) for the current quarter and financial year ended 30 June 2022 are calculated by dividing the Group's net profit/(loss) for the period attributable to owners of the parent with the weighted average number of shares in issue (excluding treasury shares) of 83,882,800.

	Current Quarter Ended <u>30/06/2022</u> RM'000	Comparative Quarter Ended <u>30/06/2021</u> RM'000	Current Year Ended <u>30/06/2022</u> RM'000	Current Year Ended <u>30/06/2021</u> RM'000
Net profit/(loss) attributable to owners of the parent	<u>2,558</u>	<u>(887)</u>	<u>7,298</u>	<u>1,416</u>

By Order of the Board

**FACB INDUSTRIES INCORPORATED BERHAD**

Lee Boo Tian  
LS 0007987  
PC NO. 202008002588  
Group Company Secretary

Kuala Lumpur  
Date : 24 August 2022