



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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME For The Third Quarter Ended 31 March 2024**  
*(The figures have not been audited)*

	<b>Current Quarter Ended 31/03/2024 RM'000</b>	<b>Comparative Quarter Ended 31/03/2023 RM'000</b>	<b>9 Months Cumulative To Date 31/03/2024 RM'000</b>	<b>9 Months Cumulative To Date 31/03/2023 RM'000</b>
Revenue	11,692	12,805	36,426	36,749
Cost of sales	(6,749)	(7,805)	(21,836)	(21,851)
Gross profit	4,943	5,000	14,590	14,898
Other income	1,641	1,521	4,990	4,026
Operating expenses	(4,650)	(4,274)	(14,313)	(13,862)
Finance costs	(26)	(16)	(75)	(61)
Share of results of associates, net of tax	444	274	1,247	753
Profit before tax	2,352	2,505	6,439	5,754
Tax expense	(513)	(581)	(1,507)	(1,798)
Net profit for the period	1,839	1,924	4,932	3,956
<b>Other comprehensive income/ (loss):</b>				
Foreign currency translation	291	(40)	335	(1,165)
Total comprehensive income for the period	<u>2,130</u>	<u>1,884</u>	<u>5,267</u>	<u>2,791</u>
<b>Profit attributable to:</b>				
Owners of the parent	1,587	1,672	4,323	3,588
Non-controlling interests	252	252	609	368
	<u>1,839</u>	<u>1,924</u>	<u>4,932</u>	<u>3,956</u>
<b>Total comprehensive income / (loss) attributable to:</b>				
Owners of the parent	1,748	1,649	4,509	2,944
Non-controlling interests	382	235	758	(153)
	<u>2,130</u>	<u>1,884</u>	<u>5,267</u>	<u>2,791</u>
<b>Earnings per share for profit attributable to owners of the parent:</b>				
Basic and diluted (sen)	<u>1.89</u>	<u>1.99</u>	<u>5.15</u>	<u>4.28</u>
<b>Dividend per share (sen)</b>				
Interim	<u>-</u>	<u>-</u>	<u>1.70</u>	<u>2.60</u>

**(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 2023)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As At 31 March 2024**

	Unaudited <b>As At 31/03/2024 RM'000</b>	Audited <b>As At 30/06/2023 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,730	3,044
Right-of-use assets	1,787	1,292
Intangible assets	13	36
Investments in associates	22,528	22,088
Deferred tax assets	1,651	1,651
Financial assets at amortised cost	29,807	29,779
Financial assets at fair value through other comprehensive income ("FVTOCI")	13,567	13,567
	72,083	71,457
<b>Current Assets</b>		
Inventories	5,546	6,187
Trade and other receivables	8,076	7,388
Current tax assets	391	399
Deposits, cash and bank balances	159,547	155,995
	173,560	169,969
<b>TOTAL ASSETS</b>	245,643	241,426
<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	(18,761)	(18,953)
Retained earnings	125,110	122,219
	219,276	216,193
Non-controlling interests	15,145	14,550
<b>TOTAL EQUITY</b>	234,421	230,743
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Lease liabilities	585	229
Deferred tax liabilities	290	290
	875	519
<b>Current Liabilities</b>		
Trade and other payables	6,310	6,186
Contract liability	2,930	3,183
Lease liabilities	779	608
Current tax liabilities	328	187
	10,347	10,164
<b>TOTAL LIABILITIES</b>	11,222	10,683
<b>TOTAL EQUITY AND LIABILITIES</b>	245,643	241,426
Net assets per share (RM)	2.61	2.58

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**For The Period Ended 31 March 2024**

*(The figures have not been audited)*

	← Attributable to Owners of the Parent →				Total	Non-Controlling Interests	Total Equity
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings			
<b>In RM'000</b>							
<b>At 1 July 2023</b>	114,152	(1,225)	(18,953)	122,219	216,193	14,550	230,743
Net profit for the period	-	-	-	4,323	4,323	609	4,932
Other comprehensive income							
- Foreign currency translation	-	-	186	-	186	149	335
Total comprehensive income for the period	-	-	186	4,323	4,509	758	5,267
Transfer of reserves of a subsidiary	-	-	6	(6)	-	-	-
Dividends paid	-	-	-	(1,426)	(1,426)	-	(1,426)
Dividend to non-controlling interest	-	-	-	-	-	(163)	(163)
Total transactions with owners	-	-	6	(1,432)	(1,426)	(163)	(1,589)
<b>At 31 March 2024</b>	114,152	(1,225)	(18,761)	125,110	219,276	15,145	234,421
<b>At 1 July 2022</b>	114,152	(1,225)	(18,426)	117,420	211,921	15,139	227,060
Net profit for the period	-	-	-	3,588	3,588	368	3,956
Other comprehensive loss							
- Foreign currency translation	-	-	(644)	-	(644)	(521)	(1,165)
Total comprehensive (loss)/ income for the period	-	-	(644)	3,588	2,944	(153)	2,791
Transfer of reserves of a subsidiary	-	-	37	(37)	-	-	-
Dividends paid	-	-	-	(2,181)	(2,181)	-	(2,181)
Dividend to non-controlling interest	-	-	-	-	-	(45)	(45)
Total transactions with owners	-	-	37	(2,218)	(2,181)	(45)	(2,226)
<b>At 31 March 2023</b>	114,152	(1,225)	(19,033)	118,790	212,684	14,941	227,625

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****For The Period Ended 31 March 2024***(The figures have not been audited)*

	<b>Current Period Ended 31/03/2024 RM'000</b>	<b>Comparative Period Ended 31/03/2023 RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before tax	6,439	5,754
Adjustments for:		
Accretion of discount on financial asset at amortised cost	(28)	(27)
Amortisation of intangible assets	23	23
Depreciation of property, plant and equipment	357	340
Depreciation of right-of-use assets	698	663
Gain on disposal of property, plant and equipment	-	(20)
Impairment losses on trade receivables	297	54
Interest expense on lease liabilities	75	61
Property, plant and equipment written off	7	-
Interest income	(4,883)	(3,846)
Reversal of impairment loss on trade receivables	-	(4)
Share of results of associates, net of tax	(1,247)	(753)
Operating profit before working capital changes	1,738	2,245
Net changes in current assets	(938)	(693)
Net changes in current liabilities	100	(1,193)
Net changes in contract liability	(253)	(335)
Cash generated from operations	647	24
Tax paid	(1,504)	(1,364)
Tax refunded	146	204
Net cash used in operating activities	(711)	(1,136)
<b>Cash Flows from Investing Activities</b>		
Dividend received from associates	1,124	3,941
Interest received	5,486	3,871
Net withdrawal/(placement) of deposits placed with licensed banks with maturity more than three (3) months	3,958	(2,866)
Proceeds from disposal of property, plant and equipment	-	20
Purchase of property, plant and equipment	(50)	(429)
Net cash from investing activities	10,518	4,537
<b>Cash Flows from Financing Activities</b>		
Dividends paid	(1,426)	(2,181)
Dividend paid to non-controlling interest by a subsidiary	(140)	-
Payment of lease liabilities	(741)	(751)
Net cash used in financing activities	(2,307)	(2,932)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For The Period Ended 31 March 2024 (Cont'd)**

*(The figures have not been audited)*

	<b>Current Period Ended 31/03/2024 RM'000</b>	<b>Comparative Period Ended 31/03/2023 RM'000</b>
Net increase in cash and cash equivalents	7,500	469
Effects of exchange rate changes on cash and cash equivalents	10	(21)
Cash and cash equivalents at beginning of the period	14,591	16,648
Cash and cash equivalents at end of the period	<u>22,101</u>	<u>17,096</u>
Cash and cash equivalents comprise:		
Deposits with licensed banks	149,550	144,663
Cash and bank balances	9,997	8,346
	<u>159,547</u>	<u>153,009</u>
Deposits placed with licensed banks with maturity more than three (3) months	(137,446)	(135,913)
	<u>22,101</u>	<u>17,096</u>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023)**

**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 2023.

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 2023 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>
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</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

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 have not been early adopted by the Group: -

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 112 <i>International Tax Reform – Pillar Two Model Rules</i>	Refer MFRS 112 paragraph 98M
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 Standard and Amendments since the effects would only be observable for future financial years.

**NOTES (IN COMPLIANCE WITH MFRS 134)****A2 Qualification of Financial Statements**

The Group's most recent annual audited financial statements for the year ended 30 June 2023 was not qualified.

**A3 Seasonal or Cyclical Factors**

The Group's operations for the current quarter and financial year-to-date 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-to-date.

**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-to-date.

**A6 Debt and Equity Securities**

There were no issuance, repurchase and repayment of debts and equity securities during the current quarter. As at 31 March 2024, total shares repurchased were 1,279,700 and all the shares repurchased were held as treasury shares.

**A7 Dividend Paid**

During the current quarter ended 31 March 2024, a final single-tier dividend of 1.7 sen per ordinary share amounting to RM1,426,007 in respect of the financial year ended 30 June 2023 was paid on 17 January 2024.

**A8 Reportable Segments**

	<u>Bedding</u>	<u>Other</u> <u>Segments</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<b>For Current Period</b>				
<b>Ended 31 March 2024</b>				
External revenue	36,426	-	-	36,426
Inter-segment revenue	-	2,080	(2,080)	-
<b>Total</b>	<b>36,426</b>	<b>2,080</b>	<b>(2,080)</b>	<b>36,426</b>
Segment results:				
Amortisation of intangible assets	(23)	-	-	(23)
Depreciation of property, plant and equipment	(327)	(30)	-	(357)
Depreciation of right-of-use assets	(468)	(230)	-	(698)
Interest expense on lease liabilities	(58)	(17)	-	(75)
Interest income	204	4,679	-	4,883
<b>Reportable segment profit before tax</b>	<b>2,654</b>	<b>2,538</b>	<b>-</b>	<b>5,192</b>
Share of results of associates	-	1,247	-	1,247
<b>Total</b>	<b>2,654</b>	<b>3,785</b>	<b>-</b>	<b>6,439</b>

**NOTES (IN COMPLIANCE WITH MFRS 134)****A8 Reportable Segments (cont'd)**

	<u>Bedding</u>	<u>Other</u> <u>Segments</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<b>For Comparative Period</b>				
<b>Ended 31 March 2023</b>				
External revenue	36,749	-	-	36,749
Inter-segment revenue	-	4,098	(4,098)	-
Total	36,749	4,098	(4,098)	36,749
Segment results:				
Amortisation of intangible assets	(23)	-	-	(23)
Depreciation of property, plant and equipment	(309)	(31)	-	(340)
Depreciation of right-of-use assets	(435)	(228)	-	(663)
Interest expense on lease liabilities	(27)	(34)	-	(61)
Interest income	80	3,766	-	3,846
Reportable segment profit before tax	3,637	1,364	-	5,001
Share of results of associates	-	753	-	753
Total	3,637	2,117	-	5,754

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

There were no material events from the end of the quarter to 17 May 2024 (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-to-date.

**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-to-date.

**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

	Preceding Year			Preceding Year		
	Current Quarter	Comparative Quarter	Changes	Current Period	Comparative Period	Changes
	31/03/2024	31/03/2023	%	31/03/2024	31/03/2023	%
	RM'000	RM'000		RM'000	RM'000	
Revenue	11,692	12,805	-9%	36,426	36,749	-1%
Gross profit	4,943	5,000	-1%	14,590	14,898	-2%
Profit before tax	2,352	2,505	-6%	6,439	5,754	12%
Additional Information:						
Share of results of associates	444	274	62%	1,247	753	66%

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

The Group recorded revenue of RM11.69 million and profit before tax (PBT) of RM2.35 million for the current quarter ended 31 March 2024 compared to revenue of RM12.81 million and PBT of RM2.51 million in the preceding year comparative quarter, representing decrease in revenue of 9% and PBT of 6%. The lower PBT for the current quarter was due to lower revenue from bedding operation.

The bedding operation in Malaysia recorded revenue of RM11.38 million for current quarter compared to RM12.43 million in the preceding year comparative quarter. PBT of RM1.15 million for current quarter compared to RM1.48 million in the preceding year comparative quarter represents a decrease of RM0.33 million or 22%, due to lower consumer sales for the current quarter.

Associates in China contributed higher profit of RM0.44 million for the current quarter compared to RM0.27 million in the preceding year comparative quarter mainly due to better operating margin in the current quarter.

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

The Group registered lower revenue of RM36.43 million for the current period compared to RM36.75 million registered in the preceding year comparative period and higher PBT of RM6.44 million as compared to RM5.76 million in the preceding year comparative period.

The bedding operation in Malaysia reported lower revenue of RM35.17 million compared to RM35.20 million in the preceding year comparative period due to lower Dealer and Project sales. Lower PBT of RM2.70 million reported compared to RM3.54 million in the preceding year comparative period mainly due to lower profit margin recorded and higher marketing and selling expenses incurred.

Associates in China contributed higher net profit of RM1.25 million against RM0.75 million in the preceding year comparative period. Higher profit recorded in the current period mainly due to better operating margin.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB****B2 Material Change in the Profit Before Tax as compared with the Immediate Preceding Quarter**

	Current Quarter 31/03/2024 RM'000	Immediate Preceding Quarter 31/12/2023 RM'000	Changes %
Revenue	11,692	12,627	-7%
Gross profit	4,943	5,012	-1%
Profit before tax	2,352	2,634	-11%
Additional Information: Share of results of associates	444	728	-39%

The Group registered lower revenue of RM11.69 million for the current quarter compared to RM12.63 million registered in the immediate preceding quarter ended 31 December 2023. A lower PBT of RM2.35 million reported for the current quarter versus RM2.63 million in the immediate preceding quarter.

The bedding Malaysia recorded lower revenue of RM11.38 million and higher PBT of RM1.15 million compared to revenue of RM12.09 million and PBT of RM0.90 million in the immediate preceding quarter. Lower revenue recorded due to lower consumer sales. Higher PBT for the current quarter due to higher profit margin.

Associates in China recorded a net profit of RM0.44 million for the current quarter compared to RM0.73 million in the immediate preceding quarter due to higher cost incurred in the current quarter.

**B3 Current Year Prospects**

The performance of the Group for the financial year ending 30 June 2024 is expected to remain challenging as consumers remain cautious on their spending.

The Group will continue to undertake various tactical promotion to promote brand recognition and improve sales. Effective cost control management continue to be implemented in order to sustain profitability.

**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.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB****B6 Notes to the Condensed Consolidated Statement of Profit or Loss**

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

	Current Quarter Ended <u>31/03/2024</u> RM'000	Comparative Quarter Ended <u>31/03/2023</u> RM'000	9 Months Cumulative To Date <u>31/03/2024</u> RM'000	9 Months Cumulative To Date <u>31/03/2023</u> RM'000
Accretion of discount on financial asset at amortised cost	(9)	(9)	(28)	(27)
Amortisation of intangible assets	8	7	23	23
Depreciation of property, plant and equipment	120	126	357	340
Depreciation of right-of use assets	231	220	698	663
Gain on disposal of property, plant and equipment	-	(1)	-	(20)
Gain on foreign exchange - realised	(6)	-	(6)	-
Impairment loss on trade receivables	40	-	297	54
Interest expense on lease liabilities	26	16	75	61
Property, plant and equipment written off	-	-	7	-
Interest income	(1,604)	(1,459)	(4,883)	(3,846)
Loss on foreign exchange - realised	-	-	-	133
Reversal of impairment loss on trade receivables	-	(4)	-	(4)

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-to-date.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB****B7 Tax expense**

Tax expense comprises the following: -

	Current Quarter Ended <u>31/03/2024</u> RM'000	Comparative Quarter Ended <u>31/03/2023</u> RM'000	9 Months Cumulative To Date <u>31/03/2024</u> RM'000	9 Months Cumulative To Date <u>31/03/2023</u> RM'000
<u>Current tax</u>				
Current year - Malaysia	584	581	1,462	1,399
- Foreign	-	-	1	2
Overprovision - Malaysia	(71)	-	(71)	-
	513	581	1,392	1,401
Withholding tax	-	-	115	397
Total tax expense	513	581	1,507	1,798

The effective tax rate of the Group (excluding the share of results of associates) for the current period to date 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 31 March 2024.

**B10 Derivative Financial Instruments**

The Group has no outstanding derivative financial instruments as at 31 March 2024.

**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**

On 27 October 2023, the Board of Directors recommended a final single-tier dividend of 1.7 sen per ordinary share amounting to approximately RM1,426,000 in respect of the financial year ended 30 June 2023 and payable on 17 January 2024. The entitlement date was 29 December 2023. The recommendation was approved by shareholders on 29 November 2023.

Apart from the above, no dividend has been recommended by the Board of Directors in respect of the current quarter.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB****B13 Earnings per Share**

The earnings per share (basic) for the current quarter and financial year-to-date are calculated by dividing the Group's net profit 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>31/03/2024</u> RM'000	Comparative Quarter Ended <u>31/03/2023</u> RM'000	9 Months Cumulative To Date <u>31/03/2024</u> RM'000	9 Months Cumulative To Date <u>31/03/2023</u> RM'000
Net profit attributable to owners of the parent	<u>1,587</u>	<u>1,672</u>	<u>4,323</u>	<u>3,588</u>

By Order of the Board

**FACB INDUSTRIES INCORPORATED BERHAD**

Lee Boo Tian

LS 0007987

PC NO. 202008002588

Group Company Secretary

Kuala Lumpur

Date: 23 May 2024