

FIAMMA HOLDINGS BERHAD

Quarterly Report on consolidated results for the second quarter ended 31 March 2019

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not been audited)

	NOTE	INDIVIDUAL QUARTER (Q2)		CUMULATIVE QUARTER (6 MONTHS)	
		CURRENT YEAR QUARTER 31 MAR 2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 MAR 2018 (RESTATED) RM'000	CURRENT YEAR TO DATE 31 MAR 2019 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31 MAR 2018 (RESTATED) RM'000
Revenue		79,643	74,431	159,790	148,441
Cost of sales		(55,669)	(50,996)	(110,514)	(100,276)
Gross profit		23,974	23,435	49,276	48,165
Operating expenses		(13,258)	(13,148)	(25,525)	(26,378)
Other operating income		1,240	888	2,328	1,707
Profit from operations		11,956	11,175	26,079	23,494
Finance costs		(1,939)	(1,720)	(3,810)	(3,440)
Depreciation and amortisation		(979)	(1,177)	(2,126)	(2,413)
Profit before taxation		9,038	8,278	20,143	17,641
Taxation	B5	(2,336)	(2,028)	(5,060)	(4,127)
Profit for the period		6,702	6,250	15,083	13,514
Other comprehensive income					
Foreign exchange translation difference		(161)	(498)	(132)	(931)
Total comprehensive income		6,541	5,752	14,951	12,583
Profit for the period attributable to:					
Owners of the Company		6,000	5,553	13,427	12,103
Non-controlling Interest		702	697	1,656	1,411
Profit for the period		6,702	6,250	15,083	13,514
Total comprehensive income for the period attributable to:					
Owners of the Company		5,880	5,196	13,327	11,421
Non-controlling Interest		661	556	1,624	1,162
Total comprehensive income		6,541	5,752	14,951	12,583
Basic earnings per share (sen)	B11	1.19	1.10	2.67	2.39
Diluted earnings per share (sen)	B11	1.19	1.10	2.67	2.39

Notes:

1) This Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2018, which has been restated as elaborated in Note A2(i)

2) At 31 March 2019, the effect on the earnings per share in respect of potential ordinary shares from the exercise of share option is anti-dilutive

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019
(The figures have not been audited)

	NOTE	AS AT 31 MAR 2019 RM'000	AS AT 30 SEPT 2018 RM'000 (RESTATED)
ASSETS			
Non-current assets			
Property, plant and equipment		98,735	100,641
Investment properties		76,419	76,419
Inventories - land held for property development		150,688	150,279
Deferred tax assets		5,395	5,118
		<u>331,237</u>	<u>332,457</u>
Current assets			
Inventories		236,787	231,761
Contract assets		6,599	2,661
Contract costs		6,282	10,693
Trade and other receivables		91,030	102,246
Prepayments		1,930	980
Tax recoverable		3,330	2,849
Cash and cash equivalents		120,206	102,645
		<u>466,164</u>	<u>453,835</u>
TOTAL ASSETS		<u>797,401</u>	<u>786,292</u>
EQUITY			
Share capital		265,030	265,028
Treasury shares		(14,373)	(13,620)
Reserves and retained earnings		227,911	214,341
Total equity attributable to owners of the Company		<u>478,568</u>	<u>465,749</u>
Non-controlling interest		<u>24,391</u>	<u>22,767</u>
TOTAL EQUITY		<u>502,959</u>	<u>488,516</u>
LIABILITIES			
Non-current liabilities			
Loans and borrowings	B7	54,658	62,101
Other payables		7,536	7,536
Deferred tax liabilities		5,685	5,802
		<u>67,879</u>	<u>75,439</u>
Current liabilities			
Loans and borrowings	B7	144,164	118,506
Trade and other payables		76,633	94,499
Contract liabilities		1,539	6,159
Provision for warranties		429	570
Taxation		3,798	2,603
		<u>226,563</u>	<u>222,337</u>
TOTAL LIABILITIES		<u>294,442</u>	<u>297,776</u>
TOTAL EQUITY AND LIABILITIES		<u>797,401</u>	<u>786,292</u>
Net assets per share (RM)		<u>0.95</u>	<u>0.92</u>

Notes:

This Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2018, which has been restated as elaborated in Note A2(ii)

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS ENDED 31 MARCH 2019
(The figures have not been audited)

NOTE	Non-distributable						Distributable		TOTAL RM'000	NON- CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	CAPITAL RESERVE RM'000	TRANSLATION RESERVE RM'000	REVALUATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	RETAINED EARNINGS RM'000				
At 1 October 2018	265,028	(13,620)	421	1,676	35,946	1,605	176,897	467,953	22,847	490,800	
Effects of adoption of MFRS Framework	-	-	-	-	-	-	(2,204)	(2,204)	(80)	(2,284)	
At 1 October 2018 (restated)	265,028	(13,620)	421	1,676	35,946	1,605	174,693	465,749	22,767	488,516	
Total comprehensive income for the financial period											
- Foreign exchange translation reserve	-	-	-	(100)	-	-	-	(100)	(32)	(132)	
- Profit for the financial period	-	-	-	-	-	-	13,427	13,427	1,656	15,083	
Total comprehensive income for the financial period	-	-	-	(100)	-	-	13,427	13,327	1,624	14,951	
<i>Contribution by and (distributions to) owners of the Company</i>											
- Share-based payment transactions	-	-	-	-	-	243	-	243	-	243	
- Issue of shares	2	-	-	-	-	-	-	2	-	2	
- Own shares acquired	-	(753)	-	-	-	-	-	(753)	-	(753)	
Total transactions with owners of the Company	2	(753)	-	-	-	243	-	(508)	-	(508)	
At 31 March 2019	265,030	(14,373)	421	1,576	35,946	1,848	188,120	478,568	24,391	502,959	

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2018, which has been restated herein

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS ENDED 31 MARCH 2018

(The figures have not been audited)

NOTE	Non-distributable					Distributable		TOTAL RM'000	NON- CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	CAPITAL RESERVE RM'000	TRANSLATION RESERVE RM'000	REVALUATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	RETAINED EARNINGS RM'000			
At 1 October 2017	265,028	(11,694)	421	1,926	35,946	1,121	153,162	445,910	21,054	466,964
Effects of adoption of MFRS Framework	-	-	-	-	-	-	(1,988)	(1,988)	-	(1,988)
At 1 October 2017 (restated)	265,028	(11,694)	421	1,926	35,946	1,121	151,174	443,922	21,054	464,976
Total comprehensive income for the financial period										
- Foreign exchange translation reserve	-	-	-	(682)	-	-	-	(682)	(249)	(931)
- Profit for the financial period	-	-	-	-	-	-	12,103	12,103	1,411	13,514
Total comprehensive income for the financial period	-	-	-	(682)	-	-	12,103	11,421	1,162	12,583
Contribution by and (distributions to) owners of the Company										
- Own shares acquired	-	(1,359)	-	-	-	-	-	(1,359)	-	(1,359)
- Share-based payment transactions	-	-	-	-	-	242	-	242	-	242
Total transactions with owners of the Company	-	(1,359)	-	-	-	242	-	(1,117)	-	(1,117)
At 31 March 2019 (restated)	265,028	(13,053)	421	1,244	35,946	1,363	163,277	454,226	22,216	476,442

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2018, which has been restated herein

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS ENDED 31 MARCH 2019

(The figures have not been audited)

	6 MONTHS ENDED 31 MAR 2019 RM'000	6 MONTHS ENDED 31 MAR 2018 RM'000 (RESTATED)
Cash flows from operating activities		
Profit before taxation	20,143	17,641
Adjustments	5,771	5,766
Operating profit before changes in working capital	25,914	23,407
Changes in working capital:		
Inventories	(5,026)	(1,990)
Prepayments	(950)	(515)
Contract assets	(8,558)	7,188
Contract costs	3,253	(711)
Trade and other receivables	11,295	12,175
Trade and other payables	(17,965)	5,117
Cash and bank balance held under Housing Development Account	3,899	(1,185)
Cash generated from operations	11,862	43,486
Provision for warranties utilised	(320)	(320)
Tax paid net of refund	(4,624)	(3,815)
Net cash generated from operating activities	6,918	39,351
Cash flows from investing activities		
Additions of: -		
- property, plant and equipment	(280)	(227)
- inventories - land held for property development	(409)	(10,718)
Interest received	1,325	925
Proceeds from disposal of property, plant and equipment	139	-
Net cash generated from / (used in) investing activities	775	(10,020)
Cash flows from financing activities		
Drawdown of borrowings - net	11,310	1,996
Interest paid	(3,615)	(3,165)
Purchase of own shares	(753)	(1,359)
Proceeds from issue of share capital	2	-
Net cash generated from / (used in) financing activities	6,944	(2,528)
Net increase in cash and cash equivalents	14,637	26,803
Cash and cash equivalents at beginning of period	87,299	60,242
Effect of exchange rate fluctuation on cash held	(82)	(602)
Cash and cash equivalents at end of period	101,854	86,443
Cash and cash equivalents		
Cash and bank balance and deposits placed with licensed banks	120,206	96,581
Bank overdraft	(13,648)	(5,966)
Cash and bank balances held under Housing Development Account	(4,704)	(4,172)
	101,854	86,443

This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2018, which has been restated as elaborated in Note A2(iii)