

# FEDERAL INTERNATIONAL HOLDINGS BERHAD

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPT 2024

These figures have not been audited and should be read in conjunction with the latest audited financial statements

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	30/9/2024 RM'000	30/9/2023 RM'000	30/9/2024 RM'000	30/9/2023 RM'000	
1.	Revenue	21,401	26,493	21,401	26,493
	Investment income	-	-	-	-
	Other income including interest income	230	347	230	347
	Operating expenses	(21,898)	(25,059)	(21,898)	(25,059)
2.	(a) Profit/(Loss) from operations before interest on borrowings, depreciation and amortisation, income tax and minority interest	(267)	1,781	(267)	1,781
	(b) Interest on borrowings	(266)	(320)	(266)	(320)
	(c) Depreciation and amortisation	(424)	(549)	(424)	(549)
	(d) Profit/(Loss) from operations after interest on borrowings, depreciation and amortisation	(957)	912	(957)	912
	(e) Share of profit/(loss) in associated company	(21)	11	(21)	11
	(f) Profit/(Loss) before taxation	(978)	923	(978)	923
	(g) Income tax expenses	(82)	(656)	(82)	(656)
3.	Profit/(Loss) for the period	(1,060)	267	(1,060)	267
	Other comprehensive income, net of tax	-	-	-	-
4.	Total comprehensive income for the period	(1,060)	267	(1,060)	267
5.	Profit/(Loss) for the period attributable to:-				
	(i) Owners of the parent	(1,060)	270	(1,060)	270
	(ii) Non-controlling interest	-	(3)	-	(3)
		(1,060)	267	(1,060)	267
6.	Total comprehensive income attributable to:-				
	(i) Owners of the parent	(1,060)	270	(1,060)	270
	(ii) Non-controlling interest	-	(3)	-	(3)
		(1,060)	267	(1,060)	267
7.	(a) Earnings per share based on 5(i) above after deducting any provision for preference dividends, if any:-				
	(i) Basic based on 137,780,986 ordinary shares - (sen)	(0.77)	0.19	(0.77)	0.19
	(ii) Fully diluted based on 152,562,606 shares - (sen)	(0.69)	0.14	(0.69)	0.14
8.	Net assets per share (RM)			0.7994	0.9847

**FEDERAL INTERNATIONAL HOLDINGS BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPT 2024**

These figures have not been audited and should be read in conjunction with the latest audited financial statements

	<b>AS AT END OF CURRENT QUARTER 30/9/2024</b>	<b>AS AT PRECEDING FINANCIAL YEAR END 30/6/2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	19,948	20,254
Investment properties	7,308	7,354
Goodwill on consolidation	18,556	18,556
Investment in a joint venture	2,668	2,688
Trade receivables	468	468
	<u>48,948</u>	<u>49,320</u>
<b>Current assets</b>		
Inventories	1,570	1,685
Trade receivables	129,502	116,800
Other receivables	4,572	4,351
Other investments	880	1,286
Cash and bank balances	4,715	8,196
	<u>141,239</u>	<u>132,318</u>
<b>TOTAL ASSETS</b>	<u>190,187</u>	<u>181,638</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	82,708	82,708
Treasury shares	(4,560)	(3,897)
Reserves	31,229	32,282
Equity attributable to owners of the parent	<u>109,377</u>	<u>111,093</u>
Non-controlling interest	-	-
<b>Total equity</b>	<u>109,377</u>	<u>111,093</u>
<b>Non-current liabilities</b>		
Borrowings	2,889	3,227
Deferred tax liabilities	1,501	1,501
Trade payables	-	-
	<u>4,390</u>	<u>4,728</u>
<b>Current liabilities</b>		
Trade payables	35,880	39,972
Other payables	18,214	13,884
Borrowings	21,478	10,406
Provision for taxation	848	1,556
	<u>76,420</u>	<u>65,818</u>
<b>Total liabilities</b>	<u>80,810</u>	<u>70,546</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>190,187</u>	<u>181,639</u>

**FEDERAL INTERNATIONAL HOLDINGS BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPT 2024**

These figures have not been audited and should be read in conjunction with the latest audited financial statements

	<-----Attributable to owners of the parent----->						Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Ordinary Share Capital RM'000	RCPS RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Foreign exchange reserve RM'000	Accumulated losses / Retained earnings RM'000			
At 1 JULY 2023	76,500	29,886	(588)	2,255	34	31,157	139,244	27	139,271
Redemption of RCPS	-	(23,678)	-	-	-	-	(23,678)	-	(23,678)
Disposal of a subsidiary	-	-	-	-	-	-	-	39	39
Shares repurchased	-	-	(3,309)	-	-	-	(3,309)	-	(3,309)
Dividends paid	-	-	-	-	-	(2,485)	(2,485)	(63)	(2,548)
Profit for the financial year	-	-	-	-	-	1,329	1,329	(3)	1,326
Other comprehensive loss for the financial year	-	-	-	-	(8)	-	(8)	-	(8)
AS AT 30 JUNE 2024	<u>76,500</u>	<u>6,208</u>	<u>(3,897)</u>	<u>2,255</u>	<u>26</u>	<u>30,001</u>	<u>111,093</u>	<u>-</u>	<u>111,093</u>
At 1 JULY 2024	76,500	6,208	(3,897)	2,255	26	30,001	111,093	-	111,093
Shares repurchased	-	-	(663)	-	-	-	(663)	-	(663)
Loss for the financial year	-	-	-	-	-	(1,060)	(1,060)	-	(1,060)
Other comprehensive income for the financial year	-	-	-	-	7	-	7	-	7
AS AT 30 SEPT 2024	<u>76,500</u>	<u>6,208</u>	<u>(4,560)</u>	<u>2,255</u>	<u>33</u>	<u>28,941</u>	<u>109,377</u>	<u>-</u>	<u>109,377</u>

**FEDERAL INTERNATIONAL HOLDINGS BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 SEPT 2024**

These figures have not been audited and should be read in conjunction with the latest audited financial statements

	Unaudited 30/09/2024 RM'000	Audited 30/06/2024 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	(978)	2,012
Adjustments for:		
Bad debts written off	-	2
Deposits written off	-	10
Depreciation of investment properties	46	186
Depreciation of property, plant and equipment	378	1,801
Inventories written off	-	213
Write-back of payables	-	(2)
Reversal of impairment loss on trade receivables	-	(1,617)
Reversal of inventories	-	(482)
Interest expense	266	1,332
Interest income	(4)	(133)
Loss/(Gain) on disposal of property, plant and equipment	-	(36)
Loss/(Gain) on changes of fair value of an investment	407	2,389
Loss/(Gain) on disposal of subsidiaries	-	34
Loss/(Gain) on disposal of other investments	-	(250)
Share of results of a joint venture, net of tax	21	(82)
Unrealised gain on foreign exchange	-	22
Operating (loss)/profit before working capital changes	<u>136</u>	<u>5,399</u>
Changes in working capital:		
Inventories	115	620
Receivables	(12,922)	(5,711)
Payables	238	22,653
Cash (used in)/generated from operations	<u>(12,433)</u>	<u>22,961</u>
Interest received	4	133
Interest paid	(266)	(1,332)
Income tax paid	(791)	(3,785)
Net cash (used in)/generated from operating activities	<u>(13,486)</u>	<u>17,977</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	-	36
Proceeds from disposal of subsidiaries	-	(62)
Proceeds from disposal of other investments	-	9,852
Purchase of property, plant and equipment	(72)	(210)
Withdrawal of fixed deposits	5	567
Placement of short-term fund	(1)	(60)
Net cash (used in)/generated from investing activities	<u>(68)</u>	<u>10,123</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid - owners of the company	-	(2,485)
Advance from directors	-	682
Loans (repaid)/raised	10,811	4,547
Repayment of hire purchase and lease payables	(85)	(794)
Redemption of preference shares	-	(23,678)
Acquisition of treasury shares	(663)	(3,309)
Net cash generated from/(used in) financing activities	<u>10,063</u>	<u>(25,037)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(3,491)</b>	<b>3,063</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>6,964</b>	<b>3,908</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>7</b>	<b>(7)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>3,480</u></b>	<b><u>6,964</u></b>
Cash and cash equivalents comprised of :		
Fixed deposit with licensed banks	34	39
Cash and bank balances	4,681	8,156
Bank Overdrafts	(1,201)	(1,192)
Fixed deposit with maturity more than 3 months	(34)	(39)
	<u>3,480</u>	<u>6,964</u>

## **FEDERAL INTERNATIONAL HOLDINGS BERHAD**

### **INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPT 2024**

#### **NOTES TO THE INTERIM FINANCIAL REPORT**

##### **1. Basis of preparation**

These interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”). The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to these interim financial statements. The explanatory notes attached 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 since the year ended 30 June 2024.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 30 June 2024.

Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 July 2024 or later are provided in note 2 to the audited financial statements of the Group for the financial year ended 30 June 2024. The adoption of the new standards and amendments/annual improvements to existing standards did not have any significant impact to the Group during the current quarter and financial period to date.

##### **2. Audit Report of Preceding Audited Financial Statements**

The preceding year’s annual audited financial statements were not subject to any qualifications from the auditors.

##### **3. Seasonal or Cyclical Factors**

The operations are subject to the cyclical nature of the property and construction industry especially in the residential and hospitality segments.

##### **4. Unusual items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that were material and unusual because of their nature, size or incidence in the current quarter.

##### **5. Changes in estimates**

There were no material changes in estimates of amount reported in prior interim periods or in previous financial years which have a material effect in the current quarter.

##### **6. Debt and equity securities**

There were no issuances, cancellation, repurchase, resale and repayments of debt and equity securities during the current quarter. As at the end of the current quarter the number of ordinary shares is 144,959,531. During the current quarter, the Company bought 1,489,300 shares as treasury shares. As at the end of the current quarter, the number of treasury shares is 8,129,872.

##### **7. Dividends paid**

No dividend was paid during the quarter.

## 8. Segmental Information

<b>Period ended 30 Sept 2024</b>	<b>Turnover RM '000</b>	<b>Profit/(Loss) Before Taxation RM '000</b>	<b>Total Assets Employed RM '000</b>
Manufacture and export	2,748	319	13,917
Trading and retail	-	(2)	79
Investment holding	3	(1,105)	13,405
Construction and interior fit-out	18,661	(103)	151,828
Others	-	(1)	-
Total before Group elimination	21,412	(892)	179,229
Inter segment elimination	(11)	(65)	-
Consolidation adjustment	-	(21)	10,958
<b>After elimination</b>	<b>21,401</b>	<b>(978)</b>	<b>190,187</b>

<b>Period ended 30 Sept 2023 (Restated)</b>	<b>Turnover RM '000</b>	<b>Profit/(Loss) Before Taxation RM '000</b>	<b>Total Assets Employed RM '000</b>
Manufacture and export	5,290	1,332	17,840
Trading and retail	30	19	89
Investment holding	-	(1,780)	15,902
Construction and interior fit-out	21,834	1,420	146,415
Others	-	(1)	0
Total before Group elimination	27,154	990	180,246
Inter segment elimination	(661)	(37)	-
Consolidation adjustment	-	(30)	19,762
<b>After elimination</b>	<b>26,493</b>	<b>923</b>	<b>200,008</b>

## 9. Valuation of Property, Plant and Equipment

There were no changes in the valuation of the property, plant and equipment reported in the previous audited financial statements that will have an effect in the current financial quarter under review.

## 10. Material Events Subsequent to the Quarter End

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements of the interim period.

## 11. Changes in Group Composition

There were no changes in the composition of the Group for the financial quarter under review.

## 12. Changes in Contingent Liabilities

There were no changes in contingent liabilities or contingent assets as at the date of this announcement.

## 13. Related party transactions

There were no related party transactions for the financial quarter under review.

**ADDITIONAL INFORMATION REQUIRED PURSUANT TO APPENDIX 9B OF  
THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**14. Review of Performance**

For Q1, group turnover declined by 19% to RM21.4m, compared to RM26.5m during the same period last year. This was due to lower revenue across all divisions. In the Manufacturing Division, gross sales fell by 48% to RM2.7m, down from RM5.3m a year ago. Shipments and store sales from our primary customer dropped by 38% compared to same period last year. Other sales for the quarter increased to RM162k, compared to RM45k a year earlier. The decrease in overall sales led to a 53% reduction in gross margin, which in turn impacted the division's operating profit, reducing it to RM318k from RM1.4m a year ago.

The Construction and Interior Fit-out (CIFO) Division recorded a turnover of RM18.7m, a 12% decrease from RM21.2m in the corresponding period last year. Gross margin also declined due to lower turnover and reduced margins from current contracts compared to the previous year. Although operating expenses were lower during the quarter, the savings were insufficient to offset the impact of the lower margins. The division posted a small operating loss of RM168k for the quarter, compared to an operating profit of RM1.3m a year ago. At the end of the quarter the division has unbilled contracts of approximately RM96m carried forward.

At the consolidated level, the group recorded LBT of RM978k, compared to a PBT of RM923k a year ago. This was primarily due to the lower turnover in the current quarter. The group's LAT stood at RM1.1m, compared to a PAT of RM266k for the same period last year.

**15. Comparison with Preceding Quarter**

The group recorded a LBT of RM978k for the current quarter, compared to a PBT of RM984k in the preceding quarter. This was primarily driven by lower turnover and the corresponding reduction in margin contributions during the quarter.

## 16. Prospects

The Group's manufacturing division has experienced a significant reduction in export orders, largely due to the challenging global retail sector, inflationary pressures, and increased competition from local vendors in its export markets. Moving forward, the division's prospects will depend heavily on the store expansion plans of its key customers and the ability to secure new sales opportunities. The Manufacturing has undertaken certain selective IFO projects as project manager and manufacturer for both external and related companies projects to increase its revenue stream moving forward. To mitigate the impact of reduced revenue, the division continues to implement cost-control measures to manage operating overheads. Additionally, gross margins will depend on the strength of the United States Dollar against the Ringgit and the efficiency of production throughput.

In the CIFO division, excluding contracts that are already more than 90% completed, the division currently holds ongoing secured projects with a combined contract value of RM137m, providing profit visibility. Further related party contracts are expected to be secured during the year, ensuring the division continues to make a significant contribution to the Group's overall performance. The division's outlook for the year will depend on the timely and uninterrupted execution of these projects, alongside careful management of rising construction cost.

However, the broader economic outlook remains uncertain, with potential downside risks stemming from escalating geopolitical tensions, higher-than-anticipated inflations, and volatility in global financial markets. This could lead to continued disruptions in supply chains and price escalations, increasing the likelihood of margin compression across the Group's divisions. The Group will continue to focus on mitigating these risks to maintain stability in a volatile operating environment.

## 17. Profit Forecast and Profit Guarantee

Not applicable.

## 18. Taxation

	<u>Current Quarter</u>	<u>Year-to-date</u>
	RM'000	RM'000
Current year provision / (write-back)	82	82
Under/(over) provision in prior years	-	-
Deferred tax	-	-
Real Property Gains Tax	-	-
	-----	-----
Total tax	82	82
	=====	=====

## 19. Status of corporate proposal

None.



## 20. Group borrowings and debt securities as at end of reporting period

- **Group Borrowings :**

<b>RM'000</b>	<b>Short term</b>	<b>Long term</b>
<b>Secured :</b>		
Bank overdrafts	1,201	-
Bankers' acceptances	759	-
Contract Financing	-	-
Hire Purchase	284	854
Invoice Financing	2,832	-
Lease Liabilities	460	-
Revolving Credit	15,812	-
Term loans	130	2,035
<b>Unsecured :</b>		
Bank overdrafts	-	-
Bankers' acceptances	-	-
Revolving credit	-	-
<b>Total group borrowings</b>	<b>21,478</b>	<b>2,889</b>

## 21. Off Balance Sheet Financial Instruments.

There were no off balance sheet financial instruments at the date of this report other than as follows:-

The Company has provided various financial guarantees to banks for the guarantee of credit facilities granted to its various subsidiaries. The Company has carried out an assessment of the probability and timing of default, the sufficiency of assets to meet the financial obligations at subsidiary level, assets pledged as security in respect of facility guaranteed in determining the necessity to fair value the financial guarantee in its books.

## 22. Changes in material litigation

There were no changes in material litigation during the interim period to-date.

## 23. Dividend proposed

No dividend had been proposed during the quarter.

## 24. Basic/diluted earnings per share.

The basic earnings per share is calculated based on the Group's loss attributable to shareholders of RM1.06m and the average number of shares in issue net of treasury shares of 137,780,986; whereas diluted earnings per share is calculated based on the average number of shares in issue net of treasury shares plus weighted average number of redeemable convertible preference shares of 152,562,606.

**25. Additional notes to the Statement of Comprehensive Income**

	<b><u>Current Quarter</u></b>	<b><u>Year- to-date</u></b>
	<b>RM '000</b>	<b>RM '000</b>
(Loss) / profit for the period / year is arrived at after charging / (crediting):		
Interest income	(4)	(4)
Other income	(226)	(226)
Interest expenses	266	266
Depreciation and amortization	424	424
(Gain)/Loss on disposal of		
- Property, plant and equipment	-	-
- Investments	-	-
Write back of provision for		
- Receivables	-	-
(Gain)/Loss on changes in fair value of investment	407	407
Foreign exchange (gain)/loss	145	145

Other than the items highlighted above which have been included in the Statement of Profit or Loss and Other Comprehensive Income, there were no gain or loss on derivatives and exceptional items for the current quarter and period ended 30 Sept 2024.