FURNIWEB HOLDINGS LIMITED
飛霓控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8480)

RELEASE OF QUARTERLY REPORT BY CONTROLLING SHAREHOLDER CONTAINING UNAUDITED FINANCIAL INFORAMTION ON ITS MANUFACTURING AND ENERGY EFFICIENCY DIVISIONS OPERATED BY THE GROUP

The announcement is made by Furniweb Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 17.10(2)(a) of the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PRG Quarterly Report

PRG Holdings Berhad ("**PRG Holdings**", together with its subsidiaries, the "**PRG Group**"), the controlling shareholder of the Company, is a company listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**").

PRG Holdings has released to Bursa Malaysia a quarterly report on its unaudited consolidated results for the first quarter of 2024 (the "**PRG Quarterly Report**") today. The full version of the PRG Quarterly Report can be accessed via the following link:

https://www.bursamalaysia.com/market_information/announcements/company_announcement/announcement_details?ann_id=3450371

The PRG Quarterly Report is required to be released not later than two months after the end of each quarter of a financial year in accordance with paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia (the "**Listing Requirements**"). The financial information set out in the PRG Quarterly Report has been prepared in accordance with Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements and has not been audited or reviewed by auditors.

Unaudited financial information regarding the manufacturing and energy efficiency divisions operated by the Group

The PRG Quarterly Report contains, among others, certain unaudited financial information on, and unaudited financial results contributed by, the **manufacturing and energy efficiency divisions** of the PRG Group (which is operated by the Group). Please refer to the **attachment** to this announcement for an extract of such unaudited financial information and results.

Shareholders of the Company and public investors shall exercise caution when dealing in the shares of the Company.

By Order of the Board
Furniweb Holdings Limited
Dato' Lim Heen Peok
Chairman

Hong Kong, 27 May 2024

As at the date of this announcement, the non-executive directors are Dato' Lim Heen Peok (the chairman) and Mr. Ng Tzee Penn, the executive directors are Dato' Lua Choon Hann, Er. Kang Boon Lian, Mr. Andrew Chan Lim-Fai and Mr. Tan Chuan Dyi, and the independent non-executive directors are Mr. Ho Ming Hon, Dato' Sri Dr. Hou Kok Chung and Dato' Lee Chee Leong.

ATTACHMENT

Below is an extract from the PRG Quarterly Report regarding the unaudited financial and other information on the manufacturing and energy efficiency divisions of the PRG Group, which is operated by the Group.

The PRG Quarterly Report is originally prepared in English. In case of any inconsistency between the English version and the Chinese version, the English version shall prevail.

A9 OPERATING SEGMENTS

For the period ended 31 March 2023

	Property development & construction RM'000	Manufacturing RM'000	Energy efficiency RM'000	Agriculture RM'000	Others RM'000	Eliminations RM'000	Total RM'000
For the period ended 31 March 2023							
Revenue							
Revenue from external customers	32,346	22,768	37,409	153	57	-	92,733
Inter-segment revenue	306	29	8,394	-	8,164	(16,893)	-
Total revenue	32,652	22,797	49,965	153	8,221	(16,893)	92,733
Segment results	6,870	1,226	4,452	(952)	(594)	-	11,002
Share of loss of a joint venture, net of tax	-	(22)	-	-	-	-	(22)
Profit/(Loss) before tax	6,870	1,204	4,452	(952)	(594)	-	10,980
Tax expense							(2,508)
Profit for the financial period							8,472

For the period ended 31 March 2024

	Property development & construction RM'000	Manufacturing RM'000	Energy efficiency RM'000	Agriculture RM'000	Others RM'000	Eliminations RM'000	Total RM'000
For the period ended 31 March 2024							
Revenue							
Revenue from external customers	**19,399**	**20,787**	**21,570**	**-**	**81**	**-**	**61,837**
Inter-segment revenue	**15**	**38**	**12**	**-**	**94**	**(159)**	**-**
Total revenue	**19,414**	**20,825**	**21,582**	**-**	**175**	**(159)**	**61,837**
Segment results	**581**	**3,380**	**1,670**	**(1,122)**	**(839)**	**-**	**3,670**
Share of profit of a joint venture, net of tax	**-**	**118**	**-**	**-**	**-**	**-**	**118**
Profit/(Loss) before tax	**581**	**3,498**	**1,670**	**(1,122)**	**(839)**	**-**	**3,788**
Tax expense							**(1,116)**
Profit for the financial period							**2,672**

B1 ANALYSIS OF PERFORMANCE

b) Manufacturing

The revenue of RM20.8 million from manufacturing segment for the current quarter and period ended 31 March 2024 was RM2.0 million lower than RM22.8 million recorded in the corresponding quarter and period of 2023.

The profit before tax of RM3.5 million from manufacturing segment for current quarter and period ended 31 March 2024 was RM2.3 million higher than RM1.2 million recorded in the corresponding quarter and period of 2023.

The decrease in revenue for manufacturing segment for the current quarter and period ended 31 March 2024 was mainly due to the Group has disposed off a manufacturing plant in China in September 2023 which contributed RM3.0 million to the revenue in the corresponding period of 2023. There are certain products contributed higher sales than corresponding quarter, which mitigated the impact of disposal.

Despite lower revenue, the profit before tax for the current quarter and period ended 31 March 2024 was higher than corresponding quarter, mainly due to lower production costs and higher sales from certain products with higher gross profit margin.

c) Energy Efficiency

The energy efficiency segment recorded RM21.6 million revenue for the current quarter and period ended 31 March 2024, which was RM15.8 million lower than RM37.4 million recorded in the corresponding quarter and period of 2023.

Profit before tax of RM1.7 million from energy efficiency segment for the current quarter and period ended 31 March 2024 was RM2.8 million lower than RM4.5 million recorded in the corresponding quarter and period of 2023.

The lower revenue and profit before tax for the current quarter and period for energy efficiency segment as compared to corresponding quarter and period of 2023 was mainly due to lower project billings as a few major projects were at completion stage in 2023.

B3 PROSPECTS FOR CURRENT FINANCIAL YEAR

The prevailing economic conditions, marked by higher-than-anticipated inflation rates and interest rate hikes have triggered a ripple effect across global household consumption patterns. The economic condition is further compounded by negative spillovers emanating from the conflict in Ukraine and the sluggish recovery trajectory of China, which collectively contribute to heightened uncertainty in the global economic landscape. For manufacturing sector, grappling with supply chain disruptions, escalating cost due to inflation, and subdued demand due to higher interest rates poses formidable challenges to sustaining operational efficacy and profitability. In response to this dynamic landscape, the Group has adopted a strategic approach, recalibrating market strategies, revisiting pricing frameworks, and streamline cost structures to maintain competitiveness.

In parallel, the energy efficiency sector witnesses a surge in global energy consumption amidst higher energy prices and apprehensions surrounding potential disruptions in oil and gas supplies. Simultaneously, escalating concerns about climate change drives governments worldwide to enact stringent policies emphasizing energy efficiency, greenhouse gas reduction, and sustainability. Within this shifting paradigm, the growth prospects for businesses operating in the energy efficiency sector remain promising, buoyed by government support for environment initiative and increasing focus on environmental, social, and governance considerations.

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