



# Fiamma Holdings Berhad

## Connecting Homes with Quality Appliances

Fiamma Holdings Berhad a well-established Malaysian distributor of electrical home appliances and building-related products, with a comprehensive product offering spanning kitchen systems, laundry appliances, sanitary ware, fittings, and home living solutions. Backed by an entrenched nationwide distribution network and long-standing supplier relationships, the Group is positioned to benefit from resilient replacement demand and steady consumption trends across the residential and commercial segments. We have a Fair Value at RM1.32, based on the ten-year P/E average 13.67x of its selected peers, applied to FY27E EPS of 9.69 sen.

**Resilient Core Earnings from Trading & Services.** Fiamma's core strength lies in its Trading & Services segment, which remains the group's primary earnings, contributing for 86.1% of FY25 total revenue (RM328.2m), supported by essential household product demand that provides resilient and defensive cash flows. Its extensive distribution network and diversified brand portfolio enable broad market reach and consistent demand visibility, reinforcing Fiamma's positioning as a stable, cash-generative consumer play.

**Diversified Business Model with Multiple Income Streams.** Fiamma operates across Trading & Services, Property Development, and Investment & Property Investment, creating a balanced earnings mix. While Trading remains the core anchor, property development provides cyclical upside and the investment segment contributes asset-based income, enhancing overall earnings resilience through a combination of stable, cyclical, and recurring revenue streams.

**Enhanced Market-Embedded Brand Strength.** Fiamma's in-house brands, including *Elba*, *Faber*, and *Rubine*, underpin its presence in Malaysia's household appliance market, with *Elba* leading the large cooking appliances segment with a 19% volume share (2025), ahead of competitors such as Rinnai. Supported by ongoing product innovation and portfolio expansion, these brands strengthen competitive positioning and sustain demand visibility across key household categories.

**Financials.** We expect Fiamma's core earnings to register a two-year CAGR of 21% (FY26E–FY28E), supported by modest topline growth of c.4% in line with Malaysian mean household consumption expenditure CAGR and steady demand across its core trading and services segment as well as continued expansion of its product offerings. The Group is further expected to benefit from resilient demand for home appliances across its in-house and international brands, underpinned by a strong market position and continued product expansion. From FY26E onwards, we expect GP margins to improve by 1ppts as the Group introduces better product mix. Likewise, we expect PBT/PATAMI margins to improve gradually from c.14%/10% in FY26E to c.19%/15% for FY28E.

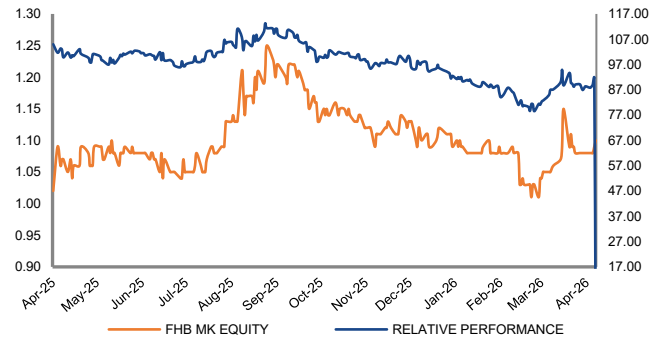
**Key risks include:** (i) cyclical downturn in household consumption, (ii) foreign exchange fluctuations, (iii) delays or lumpy earnings recognition from property development projects, (iv) volatile stock market and (v) intensifying competition in the household appliances segment.

Stock in View

Research Team Coverage / [research@mersec.com.my](mailto:research@mersec.com.my)

Rating: **Not Rated**  
 Wednesday, April 29, 2026  
 Last Price: **RM1.15**  
 Fair Value: **RM1.32**

### Share Price Performance



### Business Overview

Fiamma Holdings Berhad is a holding company involved in trading and services, property development, and property investment. It distributes and services home appliances, sanitaryware, kitchen systems, and healthcare products under its own brands and international partnership. The Company is being listed on the Main Market.

### Return Information

KLCI (pts)	1,729.60
YTD KLCI chg	2.9%
YTD Stock Price chg	0.0%

### Price Performance

	1M	3M	12M
Absolute	-2.6%	3.7%	5.7%
Relative to KLCI	-3.6%	5.2%	-8.5%

### Stock Information

Market Cap (RM m)	593.9
Issued Shares (m)	530.3
52-week High (RM)	1.27
52-week Low (RM)	1.00
Free Float	54%
Beta	0.4
3-mth Average Vol.(m)	105,117
Shariah Compliant	Yes
Bloomberg Ticker	FHB MK EQUITY

### Top 3 Shareholders

	%
Signature International Bhd	22.6%
Divine Inventions Sdn Bhd	5.7%
Perdana Padu Sdn Bhd	5.4%

### FY DEC (RM m)

	FY25A	FY26E	FY27E
Revenue	381.2	396.5	412.3
EBITDA	78.1	46.0	50.8
EBIT	75.1	43.8	48.6
PBT	81.6	55.8	67.6
<b>Core Net Profit</b>	<b>64.9</b>	<b>40.4</b>	<b>49.0</b>
Core EPS (sen)	12.83	8.00	9.69
Core EPS Growth (%)	70.9%	-37.7%	21.1%
Net DPS (sen)	-	-	-
Net Div. Yield (%)	-	-	-
BVPS (RM)	1.47	1.55	1.65
PER	8.70	14.0	11.6
PBV (x)	0.8	0.7	0.7

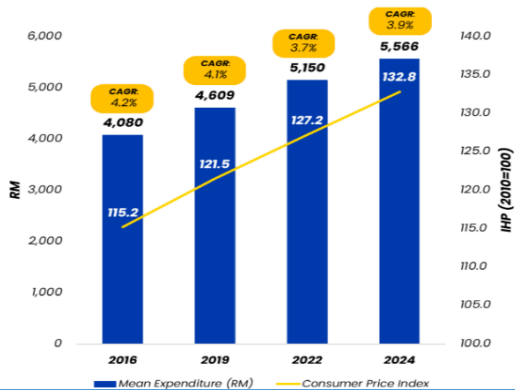
Net Gearing	Net Cash	Net Cash	Net Cash
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## Industry Overview

**Steady Growth in Household Consumption.** As illustrated in Figure 1, Malaysia's home and living products industry is supported by a steadily expanding household expenditure base, with mean monthly spending rising from RM4,080 in 2016 to RM5,566 in 2024 (c.3.9% CAGR), indicating resilient consumer demand. While part of the increase is attributable to inflation, the sustained uptrend indicates stable underlying consumption, providing a supportive backdrop for discretionary and semi-discretionary segments. This underpins a constructive demand environment for Fiamma Holdings Berhad, whose offerings are closely linked to household consumption trends. Looking ahead, industry growth is expected to remain steady, driven by urbanisation, rising living standards and ongoing premiumisation trends, although moderated by cost pressures and cautious consumer sentiment.

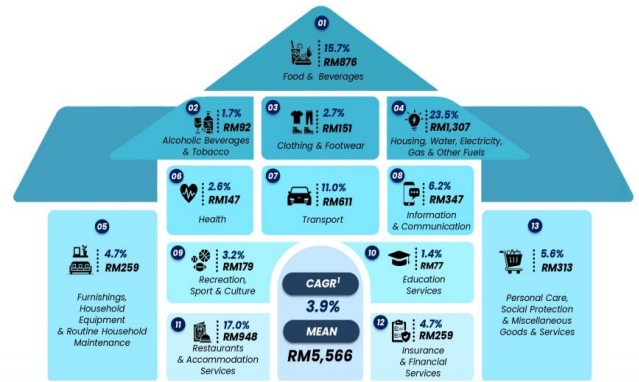
**Household Spending Mix Supports Home & Living Demand.** As shown in Figure 2, furnishings and household equipment accounted for 4.7% (RM259 per household per month) of total expenditure in 2024, representing a meaningful component of the consumption basket. Despite its discretionary nature, spending in this category remains supported by essential demand drivers such as household formation, renovation activity and product replacement needs. This reinforces a stable demand base for Fiamma's home appliances and kitchen solutions, with further upside from ongoing lifestyle upgrades and increasing consumer preference for more functional and aesthetically integrated home products.

**Figure 1: CAGR for mean monthly household consumption expenditure and Consumer Price Index, Malaysia, 2016-2024**



Source: Department of Statistics Malaysia (DOSM)

**Figure 2: Composition of Mean Monthly Household Consumption Expenditure by Main Groups, Malaysia, 2024**



Source: Department of Statistics Malaysia (DOSM)

**Modest Revenue Growth, with Earnings Boosted by Investment Income.** Fiamma's revenue normalised following the post-Covid revenge-spending surge, after topline expanded 31.0% YoY to RM486m in FY23 before moderating to RM381m in FY25, translating into a modest 3-year CAGR of 1.0% over FY23–FY25. The Trading and Services segment remained the Group's key revenue anchor, contributing 86% of total revenue in FY25 versus 72% in FY23. Gross profit improved to RM107.7m in FY25 from RM100.6m in FY24, with GP margin expanding to 28%, up 4ppts from FY23. EBITDA increased 51.2% YoY to RM78.1m in FY25, implying a 3-year CAGR of 10.7%, while EBITDA margin widened to 20.5% from 13.8% in FY24. The improvement was largely supported by a sharp increase in other income to RM48.5m, compared with RM18.9m in FY24 and RM50.8m in FY23, driven by heightened investment activity amid a lower interest rate environment. Consequently, EBITDA margins remained volatile at 21%, 14% and 20% over FY23–FY25, reflecting the variability of investment income. Similarly, PBT margins fluctuated at 18%, 14% and 21% over FY23–FY25. The stronger FY25 margin was partly boosted by a one-off gain of RM23.2m arising from the dilution of equity interests in subsidiaries, following the disposal of 70% stakes in Dawn Land Sdn Bhd and Aricia Sdn Bhd.

## Quarterly Results Highlights

Quarter (RMm)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
<b>Revenue</b>	95.60	92.18	98.59	88.62	95.34	91.60	83.64	110.67
<b>EBITDA</b>	10.25	10.89	11.58	9.90	19.55	26.10	15.57	13.90
<b>PBT</b>	4.77	15.65	7.02	23.45	41.09	18.46	12.65	9.39
<b>PAT</b>	1.56	12.17	4.30	23.72	36.84	15.40	9.80	6.00
<b>Margins (%)</b>								
<b>EBITDA</b>	10.7%	11.8%	11.7%	11.2%	20.5%	28.5%	18.6%	12.6%
<b>PBT</b>	5.0%	17.0%	7.1%	26.5%	43.1%	20.2%	15.1%	8.5%
<b>PAT</b>	1.6%	13.2%	4.4%	26.8%	38.6%	16.8%	11.7%	5.4%

Source; Mercury, Company

**Valuation. Not Rated with a Fair Value (FV) of RM1.33.** We value Fiamma Holdings Berhad at RM1.32, based on a target P/E multiple of 13.67x applied to the FY27E EPS of 9.69 sen. The target multiple represents the ten-year historical P/E average of its selected peers. The selected peers (Cuckoo International, Sorento Capital, Panasonic Manufacturing, Oasis Home, Poh Huat, Yoong Onn, and Pensonic Holdings) are those in the consumer discretionary segment and home furnishing industry, ensuring relevance in terms of operational characteristics and demand for its products.

### Company Background

Established in 1979, Fiamma Holdings Berhad (“Fiamma” or “Fiamma Holdings” or “the Group” or “FHB”) has evolved into a diversified group with a strong footprint in consumer products, property development, and investment activities. The Group operates a diversified business model anchored by three core business segments, Trading and Services, Property Development, and Investment Holding and Property Investment. Fiamma plays a key role in delivering everyday household solutions through the distribution and servicing of electrical home appliances, sanitaryware, kitchen and wardrobe systems, built-in furniture, as well as medical and healthcare products under both in-house and international brands such as Elba, Faber, Rubine, Braun, and Speed Queen. Complementing its trading business, the Group actively develops residential and commercial properties across Malaysia while strengthening long-term earnings stability through strategic property investments and leasing activities.

### Sustainability Review

Fiamma Holdings integrates sustainability into its governance and risk framework in line with Bursa Malaysia’s guidelines. The Group’s materiality assessment, conducted by the Risk Management Committee and reviewed by the Board, identified key Economic, Environmental and Social (EES) priorities such as product quality, supply chain management, energy use, and employee development, which remain relevant in FY2024, reflecting continuous stakeholder engagement and alignment with long-term value creation.

**Environmental Management and Resource Efficiency.** The Group recorded energy consumption of 1,328 MWh and 878.47 tCO<sub>2</sub>e emissions in FY2024, mainly from electricity usage. Fiamma promotes energy-efficient products aligned with Minimum Energy Performance Standards (MEPS) and resource conservation through digitalisation, with approximately 90% of 109.1 tonnes of waste reused or recycled, reflecting efforts to minimise environmental impact.

**Social Responsibility, Governance and Compliance.** The Group prioritises employee well-being and development (3,517 training hours) while maintaining zero workplace incidents. Governance is reinforced by a zero-tolerance stance on corruption, supported by comprehensive policies such as the Anti-Bribery and Corruption Policy and whistleblowing mechanisms. In FY2024, 100% of employees received anti-corruption training, with no reported incidents of bribery, corruption, or data breaches, reflecting Fiamma’s strong commitment to ethical conduct, transparency, and accountability.

### Technical Outlook

**Figure 3: 5-Year Weekly Chart of Fiamma Holdings Berhad (May 2021 – April 2026)**



Source: TradingView, Mercury Securities

<b>Last Close:</b>	RM1.150	<b>52-Week High:</b>	RM1.270	<b>52-Week Low:</b>	RM0.995
<b>Resistance 1:</b>	RM1.140	<b>Support 1:</b>	RM1.070	<b>RSI:</b>	Bullish
<b>Resistance 2:</b>	RM1.250	<b>Support 2:</b>	RM0.980	<b>MACD:</b>	Bullish

Over the past five years, Fiamma's share price has been in a steady uptrend, with price action gradually tightening into a narrow range, forming a symmetrical triangle pattern. A notable breakout occurred on 14 March 2022 was driven by speculation that Fiamma would be the next acquisition target following Chin Hin Group Berhad’s active M&A strategy, particularly its stake purchase in Ajiya Berhad in March 2022. This speculation proved well-founded when Chin Hin, via Signature International, acquired a 29.59% stake in Fiamma on 18 May 2022. Riding on positive sentiment from the boardroom transition and an improving earnings outlook, the stock rallied to an all-time high of RM1.320 on 16 November 2022, before consolidating near RM1.140. Another breakout emerged in early 2024, following Chin Hin Group Property’s private placement announcement to fund joint development projects with Fiamma. Looking ahead, the stock is expected to retest the RM1.140 resistance level, supported by the RM1.03bn KLCC2 Residence joint venture with Chin Hin Group Property and strengthening technical momentum, as reflected by rising RSI, a bullish MACD crossover, and converging EMAs, indicating potential for a near-term breakout.

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MERCURY SECURITIES SDN BHD  
Registration No. 198401000672 (113193-W)  
L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur  
Telephone: (603) - 6203 7227  
Website: [www.mercurysecurities.com.my](http://www.mercurysecurities.com.my)  
Email: [mercurykl@mersec.com.my](mailto:mercurykl@mersec.com.my)