annual report

CHEETAH HOLDINGS BERHAD (430404-H)

2018

CHEETAH®

OUR VISION

fulfilling
your
lifestyle
needs

Building brands and value through
quality, design & innovation

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Corporate Information

BOARD OF DIRECTORS

CHIA KEE FOO
Chairman and Managing Director

CHIA KEE YEW
Executive Director

CHIA KEE KWEI
Executive Director

HOR AH KUAN
Non-Independent Non-Executive Director

GONG WOOI TEIK
Senior Independent Non-Executive Director

CHONG JOCK PENG
Independent Non-Executive Director

DATO' TEA CHOO KENG
Independent Non-Executive Director

AUDIT COMMITTEE

Gong Wooi Teik (Chairman)
Chong Jock Peng
Dato' Tea Choo Keng

NOMINATION COMMITTEE

Chong Jock Peng (Chairman)
Gong Wooi Teik
Dato' Tea Choo Keng

REMUNERATION COMMITTEE

Dato' Tea Choo Keng (Chairman)
Gong Wooi Teik
Chong Jock Peng
Chia Kee Foo (Ceased on May 25, 2018)

COMPANY SECRETARIES

Tan Fong Shian (MAICSA 7023187)
Liew Chak Hooi (MAICSA 7055965)

PRINCIPAL BANKERS

Public Bank Berhad
AmBank (M) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

REGISTERED OFFICE

Suite 11.1A, Level 11
Menara Weld
76, Jalan Raja Chulan
50200 Kuala Lumpur
Tel : 03 – 2031 1988
Fax : 03 – 2031 9788

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 03 – 2783 9299
Fax : 03 – 2783 9222

AUDITORS

Deloitte PLT (LLP0010145-LCA)
Chartered Accountants (AF0080)
Level 16, Menara LGB
1, Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel : 03 – 7610 8888
Fax : 03 – 7726 8986

Corporate Structure

CHEETAH HOLDINGS BERHAD
(430404-H)

100%

CHEETAH CORPORATION (M) SDN BHD
(187362-U)

100%

CHEETAH MARKETING SDN BHD
(741469-A)

Directors' Profile

CHIA KEE FOO

(Aged 56, Male, Malaysian)
Chairman and Managing Director

Mr Chia Kee Foo was appointed to the Board on August 29, 2004. He was one of the co-founder of Success Sports Company and Cheetah Sports Centre and was appointed to the Board of Cheetah Corporation (M) Sdn Bhd ("CCM") as the Managing Director upon incorporation of CCM on September 28, 1989. He has more than 36 years of experience in the garment industry and with a comprehensive understanding of the apparel market, he has successfully managed to ensure that the company keeps abreast with the latest trend, style and design in the fashion industry. Under his stewardship, CCM was transformed from a small to a substantial player in the local sports apparel industry. He oversees the overall business direction, development and formulation of the Group's plans and policies. He is also directly involved in the day-to-day management and decision-making for the Group.

He has no personal interest in any business arrangement involving the Company except by virtue of his directorship and shareholding in Chia Yoon Yuen Holdings Sdn Bhd ("CYY"), a substantial shareholder of the Company.

CHIA KEE YEW

(Aged 60, Male, Malaysian)
Executive Director

Mr Chia Kee Yew was appointed to the Board on August 29, 2004. He was a co-founder of Syarikat Yoon Yuen, Success Sports Company and Cheetah Sports Centre. He was appointed to the Board of CCM as an Executive Director on September 28, 1989. He was involved in the designing of Cheetah apparels since the early days of Syarikat Yoon Yuen and continues to play a crucial role in designing the Group's apparels. In view of his extensive experience in the apparel designing, he has gathered a deep understanding of the fashion trend that has resulted in the creation of designs that appeals to and is accepted by the various target markets. Under his guidance and contribution, the Group has managed to consistently produce new designs while remaining competitive over the years.

CHIA KEE KWEI

(Aged 52, Male, Malaysian)
Executive Director

Mr Chia Kee Kwei was appointed to the Board on August 29, 2004. Prior to his appointment as an Executive Director of CCM on September 28, 1989, he was entrusted with the task of managing the retail operations of Cheetah Sports Centre and was subsequently promoted to head the Accounting and Administration Department of Success Sports Company in 1989. With his in-depth understanding of retailing, he has successfully implemented the EDP system for CCM's operations. He oversees the financial and budgetary control, planning and development, implementation of marketing strategy and overall corporate functions of the Group.

He has no personal interest in any business arrangement involving the Company except by virtue of his directorship and shareholding in CYY, a substantial shareholder of the Company.

HOR AH KUAN

(Aged 82, Female, Malaysian)
Non-Independent Non-Executive Director

Madam Hor Ah Kuan was appointed to the Board on August 29, 2004. She began her career in the garment industry in 1977 by setting up a partnership called Syarikat Yoon Yuen with her son, Mr Chia Kee Yew. Together with Mr Chia Kee Foo, she co-founded another two partnerships, namely Success Sports Company and Cheetah Sports Centre. Upon incorporation of CCM on September 28, 1989, she was appointed to the Board of CCM as an Executive Director. Her extensive experience and skills in the manufacturing of apparels has provided her with a valuable insight on innovations in the manufacturing and retailing of apparels. Presently in an advisory capacity, she provides guidance and advice to the Group.

Directors' Profile

GONG WOOI TEIK

(Aged 67, Male, Malaysian)
Senior Independent Non-Executive Director

Mr Gong Wooi Teik ("Mr Gong") was appointed to the Board on November 1, 2004. He is the Chairman of the Audit Committee as well as a Member of the Nomination Committee and the Remuneration Committee. He is a Fellow Member of The Institute of Chartered Accountants in England and Wales, Member of the Malaysian Institute of Accountants and Fellow Member of the Chartered Tax Institute of Malaysia. Mr Gong did his articleship in England in the early seventies and graduated as a Chartered Accountant in 1976. Thereafter, he returned to Malaysia and worked for two of the big four International Accounting Firms for a few years. In 1980, he started his own accounting firm and currently he is the Managing Partner of GEP Associates, a member firm of AGN International Ltd which is a worldwide Association of Accounting and Consulting Firms.

Mr Gong is currently also an Independent Non-Executive Director of Supermax Corporation Berhad, Box-Pak (Malaysia) Berhad and Dancomech Holdings Berhad, which are all listed on the Main Market of Bursa Malaysia Securities Berhad.

CHONG JOCK PENG

(Aged 70, Male, Malaysian)
Independent Non-Executive Director

Mr Chong Jock Peng was appointed to the Board on November 1, 2004. He is the Chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee. He is an advocate and solicitor of the High Court of Malaya and has been practising law for the past 22 years since his admission to the Malaysian Bar in October 1995. He is the Sole Proprietor of the law firm, J.P. Chong & Co. He received his LLB (Hon) degree from the University of Wolverhampton, United Kingdom in 1993 and his Certificate in Legal Practice (CLP) in 1994.

DATO' TEA CHOO KENG

(Aged 50, Male, Malaysian)
Independent Non-Executive Director

Dato' Tea Choo Keng ("Dato' Tea") was appointed to the Board of the Company on May 19, 2017. He is the Chairman of the Remuneration Committee as well as a member of the Audit Committee and the Nomination Committee. He graduated with a law degree (LL.B Hons) from the University of Hull (United Kingdom) in 1991. He was called to the bar and admitted as advocate and solicitor in 1993 and set up his own legal practice under the name of Messrs Tea & Company in year 1994. He is currently the managing partner of a legal firm, Messrs Tea, Kelvin Kang & Co.

Dato' Tea is an alternate director to the Independent Non-Executive Chairman of Power Root Berhad and an Independent Non-Executive Director of Lien Hoe Corporation Berhad, both of which are listed on the Main Market of Bursa Malaysia Securities Berhad.

Family Relationships

Mr Chia Kee Foo, Mr Chia Kee Yew and Mr Chia Kee Kwei, who are brothers, are the sons of Madam Hor Ah Kuan. Saved as disclosed, none of the Directors has any family relationship with any Directors and/or major shareholders of the Company nor any conflict of interests with the Company.

Others

The Directors have no convictions for offences, other than traffic offences (if any), within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Key Senior Management Profile

CHOO CHEE WOON
(Aged 47, Male, Malaysian)
Senior Brand Manager

Mr Choo Chee Woon ("Mr Choo") joined the Company as Sales Executive on July 1, 1995 and was appointed as Senior Brand Manager on April 1, 2013. With his years of experience, he is responsible in providing operational leadership that ensures the Company's products and services are in tandem to current and potential customers.

He professionally monitors the marketing trends and keeps a close eye on competitors' products. He is in charge of managing and developing market expansion whilst overseeing a team of junior marketers. Mr Choo has shown through the years to have a strong analytical skills coupled with business savvy senses and the ability to multitask.

Mr Choo graduated from Universiti Utara Malaysia in 1995 with a Bachelor of Business Administration (Hons) Major in Marketing.

He does not have any conflict of interests with the Company nor any family relationship with any director and/or major shareholder of Cheetah Holdings Berhad. He has had no convictions for any offences, other than traffic offences (if any), within the past 5 years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MA SIEW PHING
(Aged 53, Female, Malaysian)
Finance Manager

Ms Ma Siew Phing ("Ms Ma") was appointed as a Finance Manager on February 18, 2008 and is responsible for the overall financial accounting, tax and treasury function of the Group.

Prior of joining us, Ms Ma has accumulated a wealth of 5 years in Information Technology and 10 years experience in sport wear retailing industry from various companies including subsidiary company of a listed company in Singapore. In additional of the finance role, she was also an acting General Manager responsible to oversee the Retail Division in all aspects of Buying, Operation and Design & Merchandising Departments.

Ms Ma holds a Degree in Accountancy from The Association of International Accountants, UK.

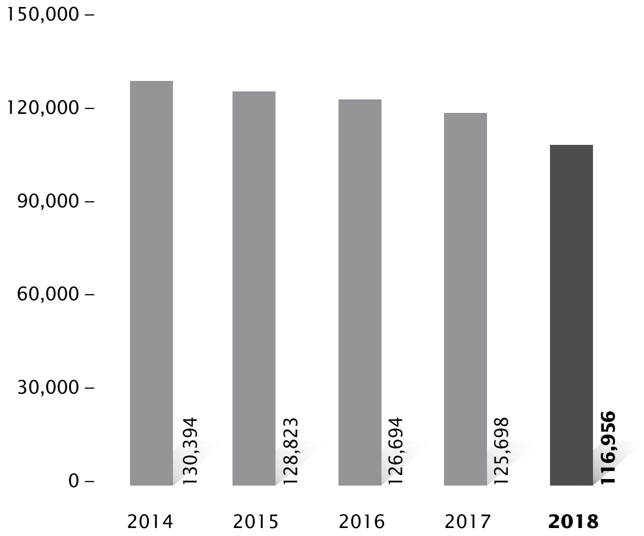
She does not have any conflict of interests with the Company nor any family relationship with any director and/or major shareholder of Cheetah Holdings Berhad. She has had no convictions for any offences, other than traffic offences (if any), within the past 5 years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

5 Years Financial Highlights

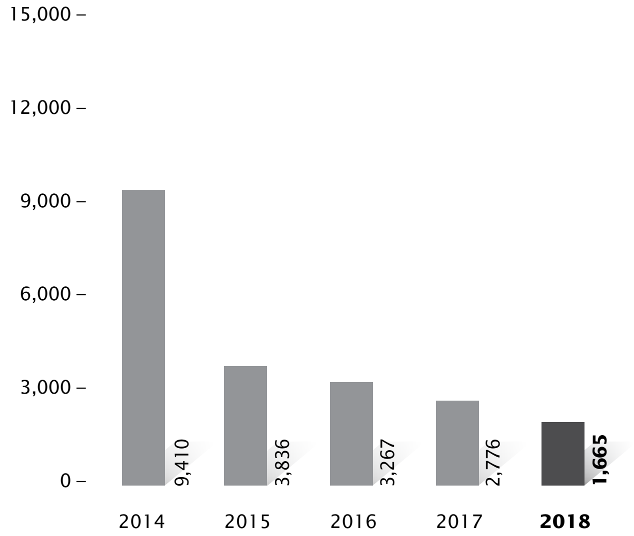
	2018 RM'000	2017 RM'000	2016 RM'000	2015 RM'000	2014 RM'000
REVENUE	**116,956**	125,698	126,694	128,823	130,394
PROFIT BEFORE TAX	**1,665**	2,776	3,267	3,836	9,410
PROFIT AFTER TAX	**1,035**	1,779	2,267	2,625	7,061
EPS (Sen)	**0.90**	1.52	1.91	2.18	5.79

Note:
* The EPS for the financial year ended June 30, 2018 is computed based on weighted average number of ordinary shares of 115,358,709

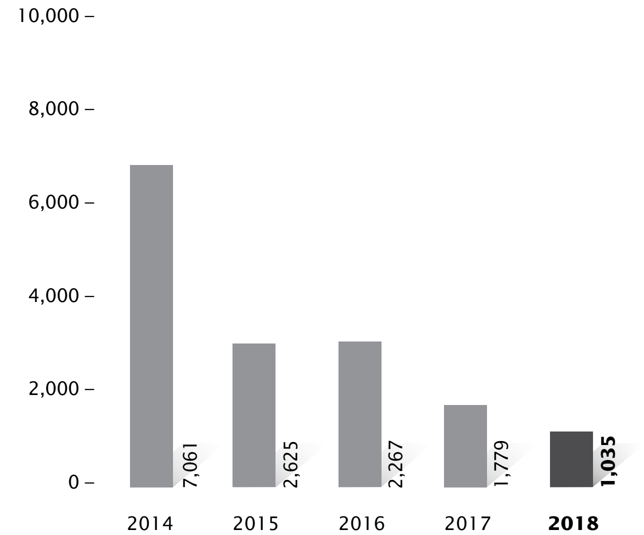
REVENUE
(RM'000)



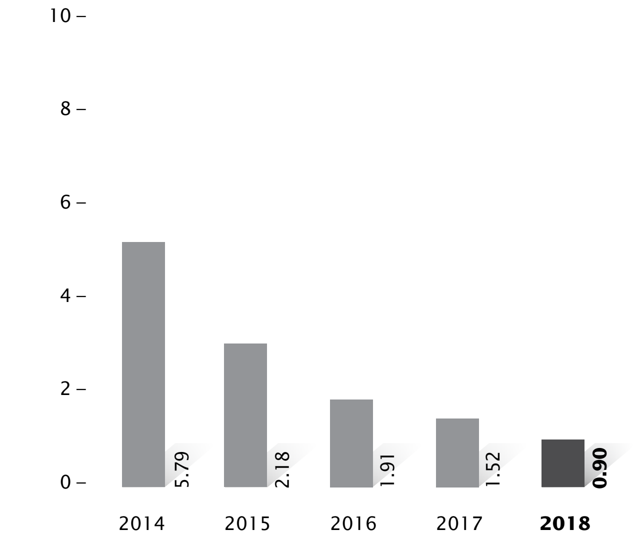
PROFIT BEFORE TAX
(RM'000)



PROFIT AFTER TAX
(RM'000)



EPS
(RM'000)



Management Discussion and Analysis

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

The Company was incorporated in Malaysia on May 6, 1997 and was listed on Second Board of Bursa Malaysia Securities Berhad on January 19, 2005 and migrated to the Main Board of Bursa Malaysia Securities Berhad on July 23, 2007.

The Group's principal business is in design and development, brand building, retailing and network distribution for sports and casual wear and accessories under its own brand labels. Revenue is mainly generated from the consignment business through department stores throughout the country.

FINANCIAL RESULTS

For the financial year ended ("FY") June 30, 2018, the Group recorded total revenue of RM116.96 million, a decrease of RM8.74 million or 6.95% as compared to RM125.70 million in FY 2017 as a result of restructuring of non performing counters coupled with unfavorable retail market condition in the current financial year.

The Group achieved a Consolidated Profit for the year of RM1.03 million , which saw a decline of RM0.75 million or 42.13% compared to RM1.78 million in FY 2017. The drop in consolidated profit is in tandem with the drop in Revenue and margin.

The financial year under review was a very challenging year for the Group. As a result of tough market condition, the Group sacrified margin on promotion and group fair causing falling sales and margin in the current financial year under reviewed.

REVIEW OF OPERATING ACTIVITIES

During the financial year, the Group aggressively restructured and consolidated non-performing counters. By restructuring and consolidating of non-performing counters the Group was able to achieve an optimize sales per counter and reduced direct operational cost accordingly.

At the same time , the Group's massive sales clearance & group fair promotion and with better control of purchase budget successfully reduced the inventories by RM14 million. Hence, further improved in stock turnover period and enhance the cash position of the Group.

BUSINESS RISKS

The Group is operating in a highly challenging business environment due to direct competition in local and international retail market, the rise in online retailing industry and along with changes in government policy for example SST and minimum wage.

To address these risks, the Group will continue to restructure the counters in order to get the optimum result from each counter to improve the business and operation process which would lead to reduce manpower and increase efficiency.

FUTURE PROSPECTS

To adapt to changes in the retail landscape and to enhance Sales and Marketing strategies, the Group will explore more on concept stores and online retailing to improve the business and operation process.

With all these in mind and given the consistent implementation of the Group's strategies to manage both the top and bottom lines, the Group is cautiously optimistic in delivering another year for positive results for the shareholders.

Sustainability Statement

The Group recognises the significance of corporate responsibility towards the Group's continuous and long term sustainability. The Group is committed to ensure ethical conduct of its business activities while striving to maximise the returns to the shareholders. The Board's governance structure is set out in "Corporate Governance Overview Statement" of this Annual Report.

The Group is dedicated to continuously improve its sustainability related initiatives and hence, will review and monitor its sustainability initiatives from time to time to identify areas for enhancement that provide value to the marketplace and our people including benefit to the community at large as well as protecting the environment for our future generations.

The Group's corporate responsibility initiatives on sustainability matters encompass the following areas:-

Economic

To achieve sustainable business growth, the Group endeavors to carry out activities to promote responsible practices among our stakeholders, suppliers and customers where high ethical standards in respective areas are consistently applied.

By working closely with both customers and suppliers, the Group gains mutual understanding and develops ways to continuously improve and create value for the business.

(i) Stakeholders

- The Group strives to enhance corporate value by maintaining a stable and long-term growth strategy.
- All material information is disclosed and disseminated in a timely, open, fair and transparent manner through various channels of communications such as at annual general meeting of shareholders and through the Company's website.

(ii) Suppliers

The Group respects its suppliers and works closely with them through long-term relationships to realise mutual growth based on mutual trust. The Group engages its suppliers through the following manner:

- Engage in ethical procurement practices by adopting standard and equitable procedures in vendors' qualification.
- Ensures the products supplied are in accordance with the Group's requirements.

(iii) Customers

There are joint business promotions and planning with Departmental Stores.

Sustainability Statement

Workplace

The Group believes that a dedicated, loyal and competent work force is paramount to the success of the Group's operations and business activities. As such, the Group places great emphasis on:

- Offering reasonable staff welfare and benefits to the employees to reward their contributions, and ensuring that all relevant labour and employment legislative and regulatory requirements are complied with.

- Creating safe and conducive working environment for our employees to cultivate sense of belonging and to minimise the occurrence of workplace accidents and health hazards.

- Providing training and development opportunities to the employees to enhance their knowledge, skills and capabilities, where necessary and appropriate.

- Providing medical benefits and insurance cover to our employees.

- Providing a safe workplace for our people in compliance with all applicable Occupational Safety and Health Administration (OSHA) standards.

Market Place

The Group places great emphasis on the quality and safety of all products sold and is committed towards ensuring a consistent and reliable supply that meet the customers' expectations. Proper quality inspection is conducted prior to delivery to ensure that the products delivered are of good quality. The Group maintains active and constructive communication with the customers and suppliers as they are the essential business associates that contribute to long term business sustainability of the Group.

Social

The Group has scheduled events for its employees to gather for social interactions and activities. They are mostly informal over special luncheons where staff from various departments can interact with each other to foster greater teamwork, communication and cooperation.

Waste Management

Paper recycling initiatives are already in progress. Waste Segregation has been done according to their categories.

Community

During the financial year under review, the Company has given donations to community schools and participated in several community events.

The Group places a strong emphasis on enhancing its corporate social responsibility programs and activities on a regular basis in the areas of staff welfare and helping those in need.

Opportunities

The Company will continue looking for opportunities to sustain its positive performance, to improve the profile of its corporate social responsibility activities and achieve the goals of the Company for all stakeholders.

Corporate Governance Overview Statement

The Board of Directors ("the Board") of Cheetah Holdings Berhad fully supports the spirit of the Malaysian Code on Corporate Governance 2017 ("MCCG") and is pleased to present the following report on the Company's application of principles and practices as set out in the MCCG and other applicable laws, rules and regulations during the financial year ended June 30, 2018.

The Corporate Governance Report of the Company can be downloaded from the Company's website at www.corporate.cheetah.com.my.

THE BOARD OF DIRECTORS

The Board

The Board, guided by the Company's Board Charter, is primarily entrusted with the overall responsibility over the strategic direction of the Group and overseeing the investment choices, business development, financial performance as well as corporate governance practices of the Group. The Board's other primary duties are to conduct regular review of the Group's business operations and performances (financial and non-financial) and to ensure that effective controls and systems exist to manage business and operational risks.

The Board has assigned the day-to-day affairs of the Group's business to the management, comprising the Executive Chairman/Managing Director and Executive Directors who are accountable for the conduct and performance of the Group.

Composition and Balance of the Board

The Board of Directors has within it individuals drawn from varied professions and specialisations. The Board is headed by the Executive Chairman/Managing Director of the Group and the existing composition of the Board consists of the following individuals:

- Three (3) Executive Directors (including the Chairman);
- Three (3) Independent Non-Executive Directors; and
- One (1) Non-Independent Non-Executive Director.

The Board has complied with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR), which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are independent directors.

The positions of the Chairman and Managing Director are currently held by Mr Chia Kee Foo. The Board is aware that it is not in compliance with the practice of MCCG on the separation of positions between the Chairman and the Managing Director. However, members of the Board are satisfied with the dual positions being held by Mr Chia Kee Foo in view of his extensive experience, skills, knowledge and familiarity with the Group's business, industry and products which are invaluable to the Group.

As the Chairman, Mr Chia Kee Foo is primarily responsible for the orderly conduct and effectiveness of the Board. He is also primarily responsible for the vision, strategic planning and goal setting, policies, as well as the orderly conduct of the day-to-day operations of the Group. All the other Executive Directors, under the leadership of the Chairman and Managing Director implement the Group's business strategies, plans and policies as endorsed by the Board.

Composition and Balance of the Board (Cont'd)

The Board currently does not have half of its members being Independent Directors as recommended by the MCCG. However, the Board is of the view that the presence of the three (3) Independent Directors is sufficient to provide the necessary checks and balances on the decision making process of the Board. The Independent Directors provide independent and objective judgement as well as impartial opinion on Board deliberations and decision making and significant contributions of the Independent Directors are evidenced on their participation as members of the Board committees.

The size and composition of the Board is balanced to reflect the interests of the shareholders in the Company. The Board acknowledges that gender diversity is one of the key attributes to an effective and balanced board. In this regard, it is committed to having female representation on the Board and the Board currently has one (1) female member.

The Board believes in equality and equal opportunity to be given to an individual whether for appointment as a director or employment within the Group, based on objective criteria and merit.

Reinforce Independence

The existence of the Independent Directors on the Board itself does not ensure absolute unbiased judgment as it can be compromised by familiarity with the other Board members. In this connection, the Board has undertaken an annual assessment of the independence of the Independent Directors via disclosed interests and the criteria for assessing their independence was set by the Nomination Committee as approved and adopted by the Board. The current Independent Directors of the Company have fulfilled the criteria of "independence" as prescribed under Chapter 1 of the MMLR.

The Board does not have term limit for its Independent Directors and is of the view that the independence of the Independent Director should not be determined by their tenure of service. The Board is confident that the Independent Directors themselves, having provided all the relevant confirmations on their independence, will be able to determine if they can continue to being independent and give objective judgement on Board deliberations and decision making.

As recommended by the MCCG, the Board has considered the tenure of two (2) Independent Directors who had exceeded a cumulative term of nine (9) years, namely Mr Gong Wooi Teik and Mr Chong Jock Peng. The approval from the shareholders of the Company was obtained at the Twentieth Annual General Meeting ("AGM") held on November 29, 2017 for the retention of Mr Gong Wooi Teik and Mr Chong Jock Peng as Independent Non-Executive Directors of the Company notwithstanding that both of them have served for a tenure of more than nine (9) years. Based on the assessment, the Board has concluded that Mr Gong Wooi Teik and Mr Chong Jock Peng remain to be independent and recommended that they continue to act as Independent Non-Executive Directors based on the following justifications:

i) They have fulfilled the criteria under the definition of Independent Director as stated in the MMLR and thus, would be able to function as a check and balance, bringing an element of objectivity to the Board;
ii) They have been with the Company for more than nine (9) years and are familiar with the Company's business operations;
iii) They have exercised due care during their tenure as Independent Non-Executive Directors of the Company and have carried out their duties proficiently in the interest of the Company and the shareholders.

The proposed retention will be tabled at the Twenty First AGM of the Company for shareholders' approval.

Duties and Responsibilities

The Board is guided by the approved Board Charter which provides reference for the Directors in discharging their duties, roles and responsibilities to shareholders of the Company which includes the following salient terms (amongst others):

Duties and Responsibilities (Cont'd)

- Providing entrepreneurial leadership to the Company and the Group in order to steer the strategic direction of the Group according to its core values, vision and mission;
- Overseeing the overall conduct of the Company's business and that of the Group and promoting a culture of corporate governance, corporate responsibility and sustainability;
- Reviewing the adequacy and integrity of internal control systems including systems for compliance with applicable regulations, rules and guidelines within the Group; and
- Assessing the effectiveness of the Board, Board Committees and individual Directors.

Although the Board expects its members to be committed to the Company's affairs and operations, it does not restrict its members from being Directors of other companies. All Directors would immediately notify the Company Secretary and the Company should they accept a new directorship in another company.

A copy of the Board Charter can be viewed at the Company's website at www.corporate.cheetah.com.my. The Board Charter will be reviewed from time to time to ensure that it remains consistent with the Board's objectives and current practices.

Code of Ethics and Conduct

The Board of Directors has formalised a Code of Ethics and Conduct that provides the standards of conduct required for all Directors, Management and staff of the Company with the objective of ensuring their proper behavior and ethical conduct within the Company and Group. This is in line with the Board's commitment to uphold the spirit of accountability and social responsibility within the Group.

Whistleblowing Policy

The Whistleblowing Policy of the Company has been adopted since 2013. The Policy was revised in November 2014 and September 2018 to enhance on whistle blower report on suspected and/or know misconduct. The Company encourage whistle-blowing to enable its staff to disclose any improper conduct, act, irregularities and criminal offences within the Group.

The Whistleblowing Policy is incorporated in Code of Ethics and Conduct and posted at www.corporate.cheetah.com.my for ease of access by employees and associates of the Group.

Supply of Information

Board Meetings are structured with a pre-set agenda. Prior to the Meetings, an agenda together with sufficient and timely information and documents are furnished to all the Directors.

The Directors have enough time to peruse all the issues to be discussed in the Meetings and the opportunity to deliberate them thoroughly in the Meetings prior to decision making. Minutes of every Board Meeting are circulated to all the Directors for their review prior to confirmation of the Minutes at the following Board Meeting.

The Board is supported by qualified and experienced Company Secretaries pertaining to corporate secretarial matters which include, among others, convening of Board and general meetings, attending the Board and the Board Committees' Meetings, preparation of circular resolutions and minutes of meetings, maintenance of statutory registers and records, release of announcements to Bursa Malaysia Securities Berhad, and advising the Board on compliance with the relevant laws and regulations.

All Directors have full and unrestricted access to all information of the Group on a timely and accurate manner to enable them to discharge their roles and responsibilities. The Directors also have full and unrestricted advice and services of the Company Secretaries and independent professional advice, whenever necessary, in furtherance of their duties, at the expense of the Group. The appointment and removal of Company Secretary(ies) are matters for the Board as a whole.

Corporate Governance Overview Statement

Attendance at Board of Directors' Meetings

The Board meets on a quarterly basis with additional meetings held whenever necessary.

There were a total of five (5) meetings held during the financial year and the details of the attendance by each Director are as follows:

Name of Directors	Number of Board Meetings Attended
Chia Kee Foo	5/5
Chia Kee Kwei	5/5
Chia Kee Yew	5/5
Hor Ah Kuan	5/5
Gong Wooi Teik	5/5
Chong Jock Peng	5/5
Dato' Tea Choo Keng	5/5

Re-Election of Directors

In accordance with the Constitution of the Company, one-third (1/3) of the Directors, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office at each Annual General Meeting and they may offer themselves for re-election.

With the process on re-election of Directors, shareholders are ensured of an annual opportunity to reassess the composition of the Board.

Directors' Training

The Directors are mindful that they shall receive appropriate training which may be required from time to time in order to continuously update themselves with changes on guidelines issued by the relevant authorities as well as keep abreast with the current developments of the marketplace, industry and corporate scene.

The Directors had attended the following seminar/workshop/programme/training sessions during the financial year ended June 30, 2018:

Name of Director	Type	Topic	Date
Gong Wooi Teik	Seminar	Comparative Analysis of the PERS, MPERS and MFRS Frameworks and Selected New Topics in the MPERS Framework	July 5, 2017 to July 06, 2017
	Workshop	Fraud Risk Management Workshop	July 13, 2017
	Seminar	Bursa Risk Management Programme – "I Am Ready to Manage Risks"	September 13, 2017
	Seminar	CG Breakfast Series for Directors: "Leading in a Volatile, Uncertain, Complex, Ambiguous (VUCA) World"	October 13, 2017
	Programme	New Companies Act 2016	October 10, 2017
	Seminar	2018 Budget Seminar	November 9, 2017
Chia Kee Foo	Training	Mastering the EQ For Success	June 08, 2018
Chia Kee Kwei	Training	Mastering the EQ For Success	June 08, 2018
Chia Kee Yew	Training	Mastering the EQ For Success	June 08, 2018

Corporate Governance Overview Statement

Directors' Training (Cont'd)

Name of Director	Type	Topic	Date
Hor Ah Kuan	Training	Mastering the EQ For Success	June 08, 2018
Chong Jock Peng	Training	Mastering the EQ For Success	June 08, 2018
Dato' Tea Choo Keng	Training	Mastering the EQ For Success	June 08, 2018

The Board will continue to evaluate and determine the training needed by the Directors from time to time to enhance their skills and knowledge in order to enable them to discharge their responsibilities more effectively.

BOARD COMMITTEES

The Board, who is the ultimate authority in decision-making for all important matters, has set up several Board Committees to assist the Board in discharging its duties and responsibilities. The functions and terms of reference of the Board Committees together with the authority delegated by the Board to these Committees are clearly defined in their respective terms of references.

The following are the Board Committees established:

Nomination Committee

The Nomination Committee consists of the following Directors, whom are exclusively Non-Executive Directors:

- Chairman: Mr Chong Jock Peng (Independent Non-Executive Director)
- Member: Mr Gong Wooi Teik (Senior Independent Non-Executive Director)
- Member: Dato' Tea Choo Keng (Independent Non- Executive Director)

The Nomination Committee met once during the financial year with full attendance by its members. During the financial year under review, the Nomination Committee carried out the following activities in discharging its duties and responsibilities as set out in its terms of reference, a copy of which is available at www.corporate.cheetah.com.my:

- Reviewed and assessed the Board structure, size, composition and diversity;
- Reviewed and assessed the Board's and individual Director's required mix of skills, experience, contribution and other qualities;
- Reviewed and assessed the effectiveness of the Board, Committees of the Board and each individual Director;
- Reviewed the criteria for assessing the independence of Independent Directors, including Independent Directors whose tenure had exceeded nine (9) years; and
- Determined and reviewed the Directors standing for re-election and recommended them to the Board for consideration.
- Reviewed the terms of office and the performance of the Audit Committee and its members.

The evaluation involves individual Directors and Committee members completing separate performance evaluation sheet regarding the process of the Board and its Committee, their effectiveness and contribution of each individual Director. These assessments and comments by all Directors were tabled and discussed at the Nomination Committee Meeting which was then reported to the Board at the Board Meeting held thereafter.

The Nomination Committee was satisfied with the skills, experience and contributions of the Directors to enable the Board and the Board Committees to discharge their respective duties and responsibilities effectively.

Corporate Governance Overview Statement

Nomination Committee (Cont'd)

The Board also acknowledges the importance of boardroom diversity in terms of gender, age, nationality as well as ethnicity and recognises the benefits of this diversity. The Board is of the view that while promoting boardroom diversity is essential, the normal selection criteria based on effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority.

The Nomination Committee has established a formulation of recruitment criteria and processes for a formal and transparent selection process for the identification of new Directors and review the nomination of Senior Management when the need arises.

Remuneration Committee

The objective of the Remuneration Committee is to ensure that the Group attracts and retains Directors of the caliber needed, as well as senior management where necessary, to manage the Group successfully. The Board recognises that the levels of remuneration should be sufficient to attract and retain such Directors needed to run the Company. The remuneration package of the Executive Director is structured to reward each individual performance and for Non-Executive Directors, the level of remuneration reflects the experience and responsibilities undertaken by them.

The Remuneration Committee comprises the following members, consisting only Non-Executive Directors:

- Chairman : Dato' Tea Choo Keng (Independent Non-Executive Director)
- Member : Mr Gong Wooi Teik (Senior Independent Non-Executive Director)
- Member : Mr Chong Jock Peng (Independent Non-Executive Director)

Mr Chia Kee Foo (Chairman and Managing Director) has ceased as a member of Remuneration Committee on May 25, 2018.

The terms of reference of the Remuneration Committee and Remuneration Policy can be viewed from the Company's website at www.corporate.cheetah.com.my.

Details of the Directors' remuneration (including benefits-in-kind) for each Director during the financial year ended June 30, 2018 are as follows:

The Company

Category	Fees RM'000	Salaries, Bonus and Allowance RM'000	Defined Contribution Plans RM'000	Other Benefits RM'000	Total RM'000
Executive Directors					
Chia Kee Foo	-	-	-	-	-
Chia Kee Kwei	-	-	-	-	-
Chia Kee Yew	-	-	-	-	-
Non-Executive Directors					
Gong Wooi Teik	40	-	-	2	42
Chong Jock Peng	33	-	-	2	35
Dato' Tea Choo Keng	33	-	-	2	35
Non-Independent Non-Executive Director					
Hor Ah Kuan	33	-	-	2	35

Corporate Governance Overview Statement

The Group

Category	Fees RM'000	Salaries, Bonus and Allowance RM'000	Defined Contribution Plans RM'000	Other Benefits RM'000	Total RM'000
Executive Directors					
Chia Kee Foo	-	1,068	203	59	1,330
Chia Kee Kwei	-	918	174	45	1,137
Chia Kee Yew	-	555	106	39	700
Non-Executive Directors					
Gong Wooi Teik	40	-	-	2	42
Chong Jock Peng	33	-	-	2	35
Dato' Tea Choo Keng	33	-	-	2	35
Non-Independent Non-Executive Director					
Hor Ah Kuan	33	-	-	2	35

During the financial year under review, the Remuneration Committee carried out an annual review of the remuneration packages of the Directors and recommendation was made to the Board, who is the ultimate decision maker, where appropriate. Each Director had ensured that he/she abstained from deliberation and voting in respect of his/her remuneration packages.

Risk Management Committee

The Risk Management Committee was established internally comprising the Managing Director, Executive Director (in charge of finance), the Finance Manager and Head of Sales & Marketing Division and has been tasked to identify, evaluate, monitor risk areas facing the Group and the business environment in which it operates. Further details on this Committee and its functions are contained in the Statement on Risk Management and Internal Control Section of this Annual Report.

SHAREHOLDERS

Communication with Shareholders/Stakeholders

The Group is committed to maintaining timely and effective dissemination of information to its investors and shareholders, ensuring that they are well informed of significant Company's developments and happenings promptly vide the appropriate channel. The Company's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders, stakeholders and the public via announcements in accordance with the corporate disclosure requirements prescribed by Bursa Malaysia Securities Berhad. Information relating to the Group is also available via the Company's website at www.corporate.cheetah.com.my.

The Annual General Meeting

The AGM represents the principal forum for dialogue and interaction between the Board and the shareholders. Shareholders are encouraged to participate in the question and answer session, whereby clarifications of pertinent and relevant information are encouraged. The Chairman, Board Committees' Chairman and other Board members are present during the meeting to respond to questions by the shareholders.

Corporate Governance Overview Statement

Investor Relations Activities

As part of the Board's responsibility in developing and implementing an investor relations programme, the Company also organises regular discussions and meetings with investors throughout the year in order to give them better understanding of the business of the Group.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to present a balanced, timely and insightful assessment of the Group's financial position, performance and prospects. The Audit Committee assists the Board in reviewing information for disclosure purposes such as the quarterly report and financial statements for release to Bursa Malaysia Securities Berhad in order to ensure its accuracy, quality, adequacy and completeness.

A Statement by Directors on their responsibility in preparing the Financial Statements is set out on page 20 of this Annual Report.

Internal Control and Risk Management

The Board acknowledges its overall responsibility for maintaining a sound and reasonable system of internal control and risk management to safeguard shareholders' interests and the Group's assets. The Board, in consultation with the Audit Committee and the internally established Risk Management Committee, continually reviews the adequacy and effectiveness of the internal control and risk management system to ensure it meets the Group's particular needs and to manage the risks to which it is exposed.

Further details on the state of risk management and internal control of the Company are contained in the Statement on Risk Management and Internal Control section of this Annual Report.

Relationship with the Auditors

The Board maintains a formal and transparent relationship with the Group's external and internal auditors to ensure compliance with the appropriate accounting standards and governance practices. The Audit Committee also met with the external auditors to discuss their audit plan, audit findings and the financial statements.

The role of the Audit Committee in relation to the auditors is detailed in the Audit Committee Report section of this Annual Report.

COMPLIANCE WITH MCCG

The Board of Directors considers the Group is substantially in compliance with the practices set out in the MCCG throughout the financial year ended June 30, 2018.

The Board is committed and will continue to enhance compliance with the MCCG within the Company and the Group.

The above Statement was reviewed and approved by the Board of Directors on September 21, 2018.

Other Information

Audit and Non-Audit Fees

During the financial year ended June 30, 2018, the amount of audit fees and non-audit fees incurred by the Company and the Group for services rendered by the external auditors or a firm or corporation affiliated to the external auditors to the Company and the Group are as follows:

	Company	Group
Audit services	RM40,000	RM103,000
Non audit services	RM6,164	RM38,564

Material Contracts

During the year under review, there were no material contracts entered into by the Company and its subsidiaries which involved the Directors' or major shareholders' interests.

Recurrent Related Party Transactions

The Group did not have any recurrent related party transactions during the financial year under review.

Statement on Directors' Responsibility

In Preparing the Financial Statements

The Directors are required by the Companies Act, 2016 ("the Act") to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year under review and their results and cash flows for the financial year then ended. As required by the Act and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the financial statements have been prepared in accordance with the applicable approved accounting standards in Malaysia.

Therefore, in preparing the financial statements of the Group and the Company for the year ended June 30, 2018, the Directors have:

- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured applicable approved accounting standards have been complied with, subject to any material departures being disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company. The Directors are responsible for taking such reasonable steps to safeguard the assets of the Group and of the Company and to prevent and detect fraud and other such irregularities.

The above Statement was reviewed and approved by the Board of Directors on September 21, 2018.

Audit Committee Report

The Audit Committee of Cheetah Holdings Berhad is pleased to present the following report for the financial year ended June 30, 2018.

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee presently comprises the following three (3) members, all of whom are Independent Non-Executive Directors:

GONG WOOI TEIK
Chairman, Senior Independent Non-Executive Director

CHONG JOCK PENG
Independent Non-Executive Director

DATO' TEA CHOO KENG
Independent Non-Executive Director

The Audit Committee is in compliance with Paragraph 15.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

ATTENDANCE AT MEETINGS

During the financial year ended June 30, 2018, the Audit Committee held a total of five (5) meetings.

The details of attendance of the Audit Committee members are as follows:

Members of the Audit Committee	Number of Meetings Attended
Gong Wooi Teik	5/5
Chong Jock Peng	5/5
Dato' Tea Choo Keng	5/5

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year ended June 30, 2018, the Audit Committee carried out the following activities in discharging its functions and duties in accordance with the Terms of Reference:

(i) Reviewed the quarterly reports of the Group to ensure adherence to accounting standards and regulatory reporting requirements before recommending to the Board of Directors ("Board") for approval. The Management had given assurance on the following:

- appropriate accounting policies has been adopted and applied consistently; and
- adequate processes and controls were in place for effective and efficient financial reporting and disclosures.

Audit Committee Report

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR (CONT'D)

(ii) Reviewed the draft audited financial statements of the Company and the Group together with the presence of the External Auditors before recommending to the Board for approval. The engagement partner of the External Auditors presented the auditors' report and confirmed that they were and had been independent throughout the conduct of the audit engagement in accordance with the requirements set out in the By-Laws (On Professional Ethics, Conduct and Practice) for Professional Accountants of Malaysian Institute of Accountants.

The Audit Committee was given assurance by the Management that the audited financial statements did not contain material misstatements and gave a true and fair view of the financial position of the Group.

(iii) Reviewed and approved the Audit Committee Report and Statement on Risk Management and Internal Control to be incorporated in the Annual Report of the Company.

(iv) Reviewed the internal audit plan to ensure the adequacy of the indicative audit scope, competency and resources of the internal audit function before recommending to the Board for endorsement.

(v) Reviewed the internal audit reports on audit conducted on the following areas, audit recommendations made and management response to those recommendations and reviewed the follow-up audit reports to ensure that appropriate actions were taken and agreed implementation plans were carried out:

- Sales and Marketing – Retail Store;
- Inventory Management and Control; and
- Human Resource and Payroll Management.

(vi) Met with the Internal Auditors, in the absence of the Management, to discuss the issues and views of the Internal Auditors on internal controls and there were no major issues arising from the internal audit that requires specific attention.

(vii) Reviewed the re-appointment of external auditors taking into consideration amongst others, their independence, the adequacy of experience and resources of the firm and the professional staff assigned to the audit and the relevant criteria prescribed under the Main Market Listing Requirements of Bursa Securities before recommending to the Board.

(viii) Reviewed with External Auditors, their audit planning report, audit approach and reporting requirements, new developments on accounting standards and regulatory requirements as well as the proposed audit fees prior to the commencement of audit for the financial year ended June 30, 2018.

(ix) Met with the External Auditors, in the absence of the Management, to discuss matters arising from their final audit whereby there were no areas of concerned raised by the External Auditors that needed to be escalated to the Board.

(x) Reviewed with Management, the summary of Trade Debtors' Ageing Analysis on a quarterly basis, in particular, the major trade debtor balances.

(xi) Reviewed with Management, the summary of Group Stock Ageing Analysis on a quarterly basis, in particular, the slow-moving inventories.

(xii) Reviewed the Sales Budget for the financial year ended June 30, 2018.

Audit Committee Report

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR (CONT'D)

(xiii) Reviewed and assessed the effectiveness of the Group's Inventories and Sales Strategy Plan for the financial year ended June 30, 2018.

(xiv) Reviewed the Risk Register and the Report from the Risk Management Committee.

(xv) Ensure compliance of Goods and Services Tax ("GST") and GST compliant system to be in place and implemented in proper manner through quarterly update from the Management and internal audit report.

INTERNAL AUDIT FUNCTION

Cheetah Group has outsourced its internal audit function to Baker Tilly Monteiro Heng Governance Sdn Bhd ("Baker Tilly"), led by Mr Kuan Yew Choong, who is graduated with Association of Chartered Certified Accountants (UK), a chartered member of the Institute of Internal Auditors, Malaysia and a Chartered Accountant (Malaysian Institute of Accountants).

There were a total of two (2) internal auditors which were deployed by Baker Tilly for the internal audit work performed for the Group during the financial year 2018. All the personnel deployed by Baker Tilly are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work.

The internal audit work was carried out based on Baker Tilly Internal Audit Methodology, which is closely consistent with the guidance and standards as stipulated in the International Professional Practices Framework (IPFF) of the Institute of Internal Auditors.

The Internal Audit function provides an independent and objective feedback to the Audit Committee and the Board on the adequacy, effectiveness and efficiency of the internal control system within the Group. Throughout the financial year, the audit assignments were carried out in accordance with the annual internal audit plan.

Upon completion of each internal audit cycle, the Internal Auditors will report to the Audit Committee on their audit findings, their recommendations of actions to be taken together with the management's responses in relation thereto. The Internal Auditors may also follow up to determine the extent of compliance with agreed implementation actions, at the request of the Audit Committee.

During the financial year under review, there was no material internal control failure that was reported that would have resulted in any significant loss to the Group.

The above Report was reviewed and approved by the Board on September 21, 2018.

Statement on Risk Management and Internal Control

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors of Cheetah Holdings Berhad hereby presents the following Statement on Risk Management and Internal Control of the Group for the financial year ended June 30, 2018, which has been prepared in accordance with the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" adopted by Bursa Securities.

BOARD RESPONSIBILITY

The Board acknowledges its responsibilities for maintaining a sound internal control and risk management system to safeguard its shareholders' interests and the Group's assets and for reviewing the adequacy and effectiveness of these systems. While maintaining overall responsibility, the Board has delegated its functions pertaining to risk management and internal controls to the Risk Management Committee and Audit Committee.

The Board, however, recognises that due to limitations that are inherent in any system of internal controls, these systems are designed to manage and reduce but cannot totally eliminate all the risks of failure to achieve business objectives. Accordingly, such systems can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

The process of identifying, evaluating and managing the significant risks is a concerted and continuing effort throughout the financial year under review. Recognising that the internal control system must be constantly monitored and improvised to meet the challenging business environment, the Board will constantly be proactive to enforce and strengthen the Group's risk management and internal control system.

RISK MANAGEMENT FRAMEWORK

The Board recognises that risk management is a daily integral part of the Group's business operations and performance and as such, has put in place a Risk Register which is a useful tool for identifying, evaluating and managing the significant risks faced by the Group on an on-going basis.

The risk management framework of the Group encompassed the following:-

- A Risk Management Committee ("RMC") was established on August 29, 2013 to identify, evaluate and monitor risks that affects the Group as well as proposing actions to mitigate the same. The RMC is currently headed by the Managing Director of the Group and also comprises the Executive Director (in charge of Finance Functions), the Finance Manager and the Head of Sales & Marketing Division.

- The RMC is responsible to ensure that every department within the Group is aware of the risk areas identified, action plans are executed by the relevant designated personnel and regular monitoring is carried out on a timely basis. Periodic internal meetings are held to address the adequacy of the internal controls and effectiveness of the management action plans put in place. This is an on-going process that helps the Group's achievement of its business objectives.

- The RMC has put in a risk management framework and the on going process to assess various types of risks which would have impact on the performance of the Group's business. These include strategic risk, operational risk & credit risk. The RMC reports to the Audit Committee on half-yearly basis and holds meetings to address keys risks that had been identified, the possible causes, measures taken to manage such risks as well as proposed actions to be taken.

RISK MANAGEMENT FRAMEWORK (CONT'D)

- The Audit Committee reviews the Risk Register, which is updated by the RMC based on the observation and results derived from the internal meetings, on half-yearly basis. The Audit Committee is responsible for making observation on identified key areas, together with the RMC members, evaluate the risk impact and thereafter, ensuring that the approved action plans are implemented by the Management.

- The Board of Directors is responsible for the overall risk oversight. In its regular Board Meetings, the Directors, in consultation with the Audit Committee, are made aware of the significant risks, material issues and updated information affecting the Group which require decisions and appropriate actions to be taken. Accordingly, the Directors continue to monitor the identified key risks, risk mitigating action plans and actions as well as the follow-up process.

INTERNAL CONTROL

The key elements of the Group's system of internal control are described below:

- The internal audit function of the Group is outsourced to an independent professional consultancy firm.

- The Audit Committee members are Independent Non-Executive Directors.

- Clearly defined delegation of responsibilities to the Board Committees and the Management are encapsulated in the respective terms of reference and the Board Charter.

- Annual review of sales budget by the Audit Committee and the Board, whereby comparison with actual performance was made to address relevant variances.

- Regular Audit Committee and Board meetings which require important matters to be highlighted and discussed, thus ensuring that both the Audit Committee and Board maintain an effective on-going monitoring of internal controls and risk matters, where appropriate.

- Management internally monitors risks and adjusts measures/controls in response to changes evolving around the Group, business and environment, together with follow-up procedures in consultation with the Internal Auditors.

- Procedures and policies are reviewed and streamlined, when appropriate, to enhance its efficiency and effectiveness.

- Guidelines on employment, duties, performance appraisal and training programmes are implemented to ensure competent and well trained employees.

- Close involvement of the Managing Director and the Executive Directors in the daily operations of the Group, assisted by the Senior Management staff, ensuring that adequate control procedures in relation to financial and operational controls are in place.

- Review Financial and Authority Limits from time to time to ensure its relevancy and efficacy.

- Timely and effective internal and external reporting involving the services of qualified professionals such as auditors and company secretary.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional consultancy firm, which is independent of the activities and operations of the Group, to review the adequacy and integrity of the internal control systems of the Group. The Board acknowledges the importance of the internal audit function which adopts a risk-based approach.

The internal audit function, led by the outsourced Internal Auditors, which report directly to the Audit Committee, performed reviews on key processes within the Group during the financial year under review and assessed the effectiveness of the internal control systems of the Group's functional areas based on approved annual internal audit plan as approved by the Audit Committee. Internal audit reports are presented to the Audit Committee and would thereafter be reported and recommendations be made to the Board of Directors. The Senior Management and/or the RMC are responsible for ensuring that approved corrective actions are being implemented within the stipulated time frame.

During the financial year ended June 30, 2018, the Internal Auditors had completed audit cycles with reviews being focused on Retails Sales Operations and Customer Service, Inventory Management & Control, and Human Resource Management and Payroll Control. Follow-up reviews were also being carried out on corrective measures and the extent of compliance with agreed implementation actions.

The Company has incurred approximately RM46,120 for the internal audit work conducted within the Group for the financial year ended June 30, 2018.

ANNUAL ASSESSMENT

The Board, in consultation with the Audit Committee, has appraised the effectiveness and adequacy of the risk management and internal control processes during the financial year ended June 30, 2018. Assurance has been received by the Board from the Managing Director and Executive Director (in charge of finance) that the Group's risk management and internal control system is operating adequately and effectively in all material aspects and that there are no major weaknesses at the existing level of operations of the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Audit and Assurance Practice Guide 3 (AAPG 3) February 2018 issued by the Malaysian Institute of Accountants for inclusion in the Annual Report of the Company for the financial year ended June 30, 2018.

Based on their review, the External Auditors have reported nothing come to their attention that cause them to believe, on the basis of the procedures performed and evidence obtained, that the statement intended to be included in the annual report is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

CONCLUSION

The above Statement was reviewed and approved by the Board of Directors on September 21, 2018.

FINANCIAL STATEMENTS

Report of the Directors

The directors of **CHEETAH HOLDINGS BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended June 30, 2018.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company is as disclosed in Note 15 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM	The Company RM
Profit before tax	1,664,829	1,027,107
Income tax expense	(629,855)	(50,137)
Profit for the year	1,034,974	976,970

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

Since the end of the previous financial year, a final single tier dividend of RM0.0060 per ordinary share, amounting to RM689,157 in respect of the financial year ended June 30, 2017, was paid on December 20, 2017.

The directors proposed a first and final single tier dividend of RM0.0040 per ordinary share in respect of the current financial year. The proposed first and final dividend is subject to the approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending June 30, 2019.

The proposed dividend for 2018 is payable in respect of all outstanding ordinary shares in issue at a date to be determined by the directors subsequent to the approval of the shareholders at the forthcoming Annual General Meeting.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

TREASURY SHARES

During the current financial year, the Company purchased 2,113,600 units of its own shares through purchases on Bursa Malaysia Securities Berhad, as disclosed in Note 20 to the financial statements. The total amount paid for the acquisition of the shares was RM1,053,001 and it has been deducted from equity. The repurchased transactions were financed by internally generated funds and the average price paid for the shares were RM0.50 per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act, 2016.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that there were no known bad debts to be written off and that no allowance for doubtful debts was necessary; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(a) which would require the writing off of bad debts or the setting up of allowance for doubtful debts in the financial statements of the Group and of the Company; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; and

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

Report of the Directors

OTHER STATUTORY INFORMATION (CONT'D)

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company in the financial year in which this report is made.

DIRECTORS

The directors of the Group and of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Hor Ah Kuan
Chia Kee Yew
Chia Kee Foo
Chia Kee Kwei
Gong Wooi Teik
Chong Jock Peng
Dato' Tea Choo Keng

The Directors who held office in the subsidiaries of the Company during the financial year and up to the date of this report are:

Hor Ah Kuan
Chia Kee Yew
Chia Kee Foo
Chia Kee Kwei

DIRECTORS' INTERESTS

The interests in shares in the Company and in a related corporation of those who were directors at the end of the financial year according to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016 are as follows:

	Number of ordinary shares			
	As of 1.7.2017	**Bought**	**Sold**	**As of 30.6.2018**
Shares in the Company				
Direct interest				
Registered in the name of directors				
Hor Ah Kuan	2,494,356	-	-	2,494,356
Chia Kee Yew	3,352,918	-	-	3,352,918
Chia Kee Foo	8,753,950	6,783,800	-	15,537,750
Chia Kee Kwei	6,142,050	3,000,000	-	9,142,050
Gong Wooi Teik	200,000	-	-	200,000
Chong Jock Peng	87,500	-	-	87,500

DIRECTORS' INTERESTS (CONT'D)

	Number of ordinary shares			
	As of 1.7.2017	Bought	Sold	As of 30.6.2018
Indirect interest				
Chia Kee Yew	937,000**	-	126,000	811,000**
Chia Kee Foo	54,462,169*	-	-	54,462,169*
Chia Kee Kwei	54,462,169*	-	-	54,462,169*

* Deemed interest by virtue of their interest through shareholdings in Chia Yoon Yuen Holdings Sdn. Bhd.

** Shares held directly by the director's children. In accordance with Section 59 (11)(c) of the Companies Act, 2016, the interests of the spouse/children in the shares of the Company shall be treated as the interests of the directors.

By virtue of the above directors' interest in the shares of the Company, they are deemed to have beneficial interest in the shares of all the subsidiary companies to the extent the Company has an interest.

The other director in office at the end of the financial year did not hold shares or had beneficial interest in the shares of the Company or its related corporation during or at the beginning and end of the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remunerations received or due and receivable by directors or the fixed salary of a full time employee of the Company as disclosed in Note 9 to the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMINITY AND INSURANCE FOR DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity coverage and insurance premium paid for Directors and Officers of the Company are RM1,027,000 and RM30,671 respectively.

EVENT AFTER REPORTING PERIOD

Events after reporting period are as disclosed in Note 15 to the financial statements.

Report of the Directors

AUDITORS

The auditors, Deloitte PLT, will retire at the forthcoming Annual General Meeting and do not seek re-appointment.

AUDITORS' REMUNERATION

The amount payable as remuneration of the auditors for the financial year ended June 30, 2018 is as disclosed in Note 9 to the Financial Statements.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

CHIA KEE FOO

CHIA KEE KWEI

Kuala Lumpur
September 21, 2018

Independent Auditors' Report

To the Members of Cheetah Holdings Berhad (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **CHEETAH HOLDINGS BERHAD**, which comprise the statements of financial position of the Group and of the Company as of June 30, 2018 and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 37 to 83.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as of June 30, 2018, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis of Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matter

Key audit matter is the matter that, in our professional judgement, was of most significant in our audit of the financial statements of the Group and of the Company for the current year. The matter was addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Independent Auditors' Report

To the Members of Cheetah Holdings Berhad (Incorporated in Malaysia)

Key Audit Matter (Cont'd)

Key audit matter	*Our audit performed and responses thereon*
Measurement of inventories - lower of cost and net realisable value Inventories of the Group amounting to RM55 million as of June 30, 2018 (2017: RM69 million) represents a significant asset to the Group's financial position and is carried at the lower of cost and net realisable value. Management writes down the Group's inventories to net realisable value based on their assessment of the estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts of the inventories could not be recovered through sale in the ordinary course of business. The accounting policies and key sources of estimation uncertainty relating to the net realisable value of inventories have been disclosed in Note 3 and 4 to the financial statements.	We evaluated the business process controls surrounding management's assessment of net realisable value of inventories and related write downs to inventories. We obtained and evaluated management's assessment of net realisable value of inventories which included an assessment of slow moving inventories. We further verified the existence of any slow moving inventories by attending stock take observations, assessing the period of stockholding of inventories, reviewing inventory aging to identify slow-moving inventories and performed retrospective review of subsequent sales trend. We evaluated the measurement criteria used by management in respect of net realisable value to determine that the measurements adopted by management are in accordance with the accounting standards.

We have determined that there are no key audit matters in the audit of financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Directors for the Financial Statements (Cont'd)

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report

To the Members of Cheetah Holdings Berhad (Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility towards any other person for the contents of this report.

DELOITTE PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

SITI HAJAR BINTI OSMAN
Partner - 03061/04/2019 J
Chartered Accountant

September 21, 2018
Kuala Lumpur

Statements of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2018

	Note(s)	The Group 2018 RM	The Group 2017 RM	The Company 2018 RM	The Company 2017 RM
Revenue	5 & 6	**116,956,390**	125,697,746	**703,818**	918,024
Cost of sales		**(72,224,147)**	(75,697,180)	**-**	-
Gross profit		**44,732,243**	50,000,566	**703,818**	918,024
Other income		**950,050**	911,048	**780,416**	702,013
Distribution expenses		**(24,937,599)**	(28,676,850)	**-**	-
Administrative expenses		**(14,558,609)**	(14,936,010)	**(180,364)**	(170,480)
Other expenses		**(4,324,072)**	(4,260,156)	**(276,763)**	(218,754)
Finance costs	7	**(197,184)**	(263,070)	**-**	-
Profit before tax	9	**1,664,829**	2,775,528	**1,027,107**	1,230,803
Income tax expense	10	**(629,855)**	(996,416)	**(50,137)**	(19,197)
Profit for the year		**1,034,974**	1,779,112	**976,970**	1,211,606
Other comprehensive income for the year, net of tax		**-**	-	**-**	-
Total comprehensive income for the year		**1,034,974**	1,779,112	**976,970**	1,211,606
Profit attributable to the owners of the Company		**1,034,974**	1,779,112	**976,970**	1,211,606
Earnings per ordinary share					
Basic (sen)	11	**0.90**	1.52		

The accompanying Notes form an integral part of the financial statements.

Statements of Financial Position

As of June 30, 2018

	Note	The Group 2018 RM	The Group 2017 RM	The Company 2018 RM	The Company 2017 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	12	**15,990,246**	18,144,532	38,336	46,161
Prepaid lease payments	13	**2,304,023**	2,337,057	-	-
Investment properties	14	**387,444**	429,555	387,444	429,555
Investment in subsidiary companies	15	**-**	-	41,948,378	41,948,378
Total Non-current Assets		**18,681,713**	20,911,144	42,374,158	42,424,094
Current Assets					
Inventories	16	**54,950,261**	69,053,435	-	-
Trade receivables	17	**32,946,751**	36,717,199	-	-
Refundable deposits and prepaid expenses	17	**1,409,151**	1,023,916	803	803
Amount owing by subsidiary companies	15	**-**	-	7,754,878	7,967,407
Tax recoverable		**129,487**	451,780	1,350	74,860
Deposits with financial institutions	18	**27,528,335**	17,944,793	15,348,464	15,447,786
Cash and bank balances	27	**3,180,898**	4,523,601	290,240	548,743
Total Current Assets		**120,144,883**	129,714,724	23,395,735	24,039,599
Total Assets		**138,826,596**	150,625,868	65,769,893	66,463,693
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	19	**63,810,375**	63,810,375	**63,810,375**	63,810,375
Treasury shares	20	**(6,261,214)**	(5,208,213)	**(6,261,214)**	(5,208,213)
Retained earnings	21	**69,891,307**	69,545,490	**6,705,247**	6,417,434
Capital reserve	21	**1,264,505**	1,264,505	**1,264,505**	1,264,505
Total Equity		**128,704,973**	129,412,157	**65,518,913**	66,284,101
Non-current Liabilities					
Deferred tax liabilities	22	**639,114**	731,457	**92**	92
Hire-purchase obligations - non-current portion	23	**-**	6,083	**-**	-
Total Non-current Liabilities		**639,114**	737,540	**92**	92

Statements of Financial Position

As of June 30, 2018

	Note	The Group 2018 RM	The Group 2017 RM	The Company 2018 RM	The Company 2017 RM
Current Liabilities					
Trade payables	24	**6,282,176**	13,660,663	**-**	-
Other payables and accrued expenses	24	**2,326,333**	3,689,867	**250,888**	179,500
Hire-purchase obligations - current portion	23	**-**	73,200	**-**	-
Short-term borrowings - unsecured	25	**874,000**	3,052,441	**-**	-
Total Current Liabilities		**9,482,509**	20,476,171	**250,888**	179,500
Total Liabilities		**10,121,623**	21,213,711	**250,980**	179,592
Total Equity and Liabilities		**138,826,596**	150,625,868	**65,769,893**	66,463,693

The accompanying Notes form an integral part of the financial statements.

Statements of Changes in Equity

For the year ended June 30, 2018

The Group	Note	Share capital RM	Treasury shares RM	Non-distributable reserve - Capital reserve RM	Distributable reserve - Retained earnings RM	Total equity RM
As of July 1, 2016		63,810,375	(5,012,861)	1,264,505	68,645,408	128,707,427
Shares bought-back held as treasury shares	20	-	(195,352)	-	-	(195,352)
Total comprehensive income for the year - profit for the year		-	-	-	1,779,112	1,779,112
Dividends paid	26	-	-	-	(879,030)	(879,030)
As of June 30, 2017		63,810,375	(5,208,213)	1,264,505	69,545,490	129,412,157
As of July 1, 2017		63,810,375	(5,208,213)	1,264,505	69,545,490	129,412,157
Shares bought-back held as treasury shares	20	-	(1,053,001)	-	-	(1,053,001)
Total comprehensive income for the year - profit for the year		-	-	-	1,034,974	1,034,974
Dividends paid	26	-	-	-	(689,157)	(689,157)
As of June 30, 2018		**63,810,375**	**(6,261,214)**	**1,264,505**	**69,891,307**	**128,704,973**
The Company						
As of July 1, 2016		63,810,375	(5,012,861)	1,264,505	6,084,858	66,146,877
Shares bought-back held as treasury shares	20	-	(195,352)	-	-	(195,352)
Total comprehensive income for the year - profit for the year		-	-	-	1,211,606	1,211,606
Dividends paid	26	-	-	-	(879,030)	(879,030)
As of June 30, 2017		63,810,375	(5,208,213)	1,264,505	6,417,434	66,284,101
As of July 1, 2017		63,810,375	(5,208,213)	1,264,505	6,417,434	66,284,101
Shares bought-back held as treasury shares	20	-	(1,053,001)	-	-	(1,053,001)
Total comprehensive income for the year - profit for the year		-	-	-	976,970	976,970
Dividends paid	26	-	-	-	(689,157)	(689,157)
As of June 30, 2018		**63,810,375**	**(6,261,214)**	**1,264,505**	**6,705,247**	**65,518,913**

The accompanying Notes form an integral part of the financial statements.

Statements of Cash Flows

For the year ended June 30, 2018

	The Group 2018 RM	The Group 2017 RM	The Company 2018 RM	The Company 2017 RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Profit before tax	**1,664,829**	2,775,528	**1,027,107**	1,230,803
Adjustments for:				
Depreciation of:				
Property, plant and equipment	**3,118,089**	3,370,922	**7,825**	8,000
Investment properties	**16,845**	17,703	**16,845**	17,703
Inventories written off	**1,464,204**	1,845,104	**-**	-
Property, plant and equipment written off	**547,922**	273,105	**-**	-
Reversal of inventories written down	**(323,927)**	(8,966)	**-**	-
Finance costs	**197,184**	263,070	**-**	-
(Reversal of allowance for slow moving inventories)/Allowance for slow moving inventories	**(99,670)**	135,423	**-**	-
Amortisation of prepaid lease payments	**33,034**	33,032	**-**	-
Interest income	**(773,562)**	(707,004)	**(756,882)**	(635,114)
Gain on disposal of:				
Property, plant and equipment	**(39,623)**	-	**-**	-
Investment properties	**(19,734)**	-	**(19,734)**	
Unrealised loss on foreign exchange - net	**184**	6,224	**-**	-
Dividend income	**-**	-	**(703,818)**	(918,024)
Operating Profit/(Loss) Before Working Capital Changes	**5,785,775**	8,004,141	**(428,657)**	(296,632)
Decrease/(Increase) in:				
Inventories	**13,062,567**	(5,732,036)	**-**	-
Trade receivables	**3,770,448**	(4,380,429)	**-**	-
Refundable deposits and prepaid expenses	**(385,235)**	(382,001)	**-**	890
(Decrease)/Increase in:				
Trade payables	**(7,378,671)**	(4,966,510)	**-**	-
Other payables and accrued expenses	**(1,753,586)**	(81,874)	**71,388**	1,600
Cash Generated From/(Used In) Operations	**13,101,298**	(7,538,709)	**(357,269)**	(294,142)
Tax refunded	**516,173**	93,577	**74,723**	93,577
Income tax paid	**(916,078)**	(1,346,063)	**(51,350)**	(50,000)
Net Cash From/(Used In) Operating Activities	**12,701,393**	(8,791,195)	**(333,896)**	(250,565)

Statements of Cash Flows

For the year ended June 30, 2018

	Note	The Group 2018 RM	The Group 2017 RM	The Company 2018 RM	The Company 2017 RM
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES					
Interest income received		**773,562**	707,004	**569,411**	547,978
Proceeds from disposal of:					
Investment properties		**45,000**	-	**45,000**	-
Property, plant and equipment		**39,623**	-	**-**	-
Purchase of property, plant and equipment*		**(1,129,594)**	(1,355,717)	**-**	-
Decrease/(Increase) in amount owing by subsidiary companies		**-**	-	**1,103,818**	(6,962,247)
Net Cash (Used In)/From Investing Activities		**(271,409)**	(648,713)	**1,718,229**	(6,414,269)
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES					
Dividends paid		**(689,157)**	(879,030)	**(689,157)**	(879,030)
Finance costs paid		**(189,263)**	(265,998)	**-**	-
Purchase of treasury shares		**(1,053,001)**	(195,352)	**(1,053,001)**	(195,352)
Repayment of hire-purchase obligations		**(79,283)**	(73,200)	**-**	-
Decrease in short-term borrowings - unsecured		**(2,178,441)**	(1,724,505)	**-**	-
Net Cash (Used In)/From Financing Activities		**(4,189,145)**	(3,138,085)	**(1,742,158)**	(1,074,382)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**8,240,839**	(12,577,993)	**(357,825)**	(7,739,216)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**22,468,394**	35,046,387	**15,996,529**	23,735,745
CASH AND CASH EQUIVALENTS AT END OF YEAR	27	**30,709,233**	22,468,394	**15,638,704**	15,996,529

* During the current financial year, the Group and the Company acquired property, plant and equipment by the following means:

	Note	The Group 2018 RM	The Group 2017 RM	The Company 2018 RM	The Company 2017 RM
Other payables	24	**382,131**	-	**-**	-
Cash payment		**1,129,594**	1,355,717	**-**	-
Total	12	**1,511,725**	1,355,717	**-**	-

The accompanying Notes form an integral part of the financial statements.

Notes to the Financial Statements

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia.

The Company is principally involved in investment holding.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company is as disclosed in Note 15.

The registered office of the Company is located at Suite 11.1A, Level 11, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

The principal place of business of the Company is located at Lot 1846, Jalan KPB6, Kawasan Perindustrian Kg. Bahru Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia.

The financial statements of the Group and of the Company have been authorised by the Board of Directors for issuance in accordance with a resolution of the Directors for issuance on September 21, 2018.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Adoption of Amendments to Malaysian Financial Reporting Standards

In the current financial year, the Group and the Company adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to the Group and the Company and effective for annual period beginning on or after July 1, 2017:

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRS	Annual Improvements to MFRSs 2014 - 2016

The adoption of these Amendments to MFRS have not had material impact on the amount reported in the financial statements of the Group and the Company in the current financial year and previous financial years except for the below:

Amendments to MFRS 107 Disclosure Initiative

The Group and the Company have applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes.

The Group's and the Company's liabilities arising from financing activities consist of short-term borrowings (Note 25) and hire-purchase obligations (Note 23). A reconciliation between the opening and closing balances of these items is provided in Note 31. Consistent with the transition provisions of the amendments, the Group and the Company have not disclosed comparative information for the prior period. Apart from the additional disclosure in Note 31, the application of these amendments has had no impact on the Group's and the Company's financial statements.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

Standards, Amendments to MFRS and Issues Committee Interpretations ("IC Interpretations") in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new and revised Standards, Amendments to MFRS and IC Interpretations, and which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

MFRS 9	Financial Instruments[1]
MFRS 15	Revenue from Contracts with Customers (and the Related Clarifications)[1]
MFRS 16	Leases[2]
MFRS 17	Insurance Contracts[4]
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions[1]
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts[1]
Amendments to MFRS 9	Prepayment Features with Negative Compensation[2]
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement[2]
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to MFRS 128	Long-term interests in Associates and Joint Ventures[2]
Amendments to MFRS 140	Transfers of Investment Property[1]
Amendments to MFRS	Annual Improvement to MFRSs 2014 - 2016 Cycle[1]
	Annual Improvement to MFRSs 2015 - 2017 Cycle[2]
IC Interpretations 22	Foreign Currency Transactions and Advance Consideration[1]
IC Interpretations 23	Uncertainty over Income Tax Treatments[2]
Amendments to References to the Conceptual Framework in MFRS Standards[3]	

[1] Effective for annual periods beginning on or after January 1, 2018.
[2] Effective for annual periods beginning on or after January 1, 2019.
[3] Effective for annual periods beginning on or after January 1, 2020.
[4] Effective for annual periods beginning on or after January 1, 2021.
[5] Effective for annual periods beginning on or after a date to be determined.

The directors anticipate that abovementioned Standards, Amendments to MFRS and IC Interpretations will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these Standards, Amendments and IC Interpretations will have no material impact on the financial statements of the Group and of the Company in the period of initial application except for MFRS 9 and MFRS 16.

MFRS 9 Financial Instruments

MFRS 9 (IFRS 9 issued by IASB in November 2009) introduced new requirements for the classification and measurement of financial assets. MFRS 9 (IFRS 9 issued by IASB in October 2010) includes requirements for the classification and measurement of financial liabilities and for de-recognition, and in November 2013, the new requirements for general hedge accounting was issued by MASB. Another revised version of MFRS 9 was issued by MASB - MFRS 9 (IFRS 9 issued by IASB in July 2014) mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' ("FVTOCI") measurement category for certain simple debt instruments.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

MFRS 9 Financial Instruments (Cont'd)

Key requirements of MFRS 9:

(a) All recognised financial assets that are within the scope of MFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt instruments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under MFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognised by an acquirer in a business combination) in other comprehensive income, with only dividend income generally recognised in profit or loss.

(b) With regard to the measurement of financial liabilities designated as at fair value through profit or loss, MFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability to be presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under MFRS 139, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

(c) In relation to the impairment of financial assets, MFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under MFRS 139. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

(d) The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in MFRS 139. Under MFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

MFRS 9 Financial Instruments (Cont'd)

Based on an analysis of the Group's and the Company's financial assets and financial liabilities as at June 30, 2018 on the basis of the facts and circumstances that exist at that date, the directors have assessed the impact of MFRS 9 to the Group's and the Company's financial statements as follows:

Classification of financial assets

Based on the directors' assessment, the financial assets held by the Group and the Company as at June 30, 2018 will be reclassified to the following classifications:

	2018 RM	Existing classification under MFRS 139	New classification under MFRS 9
The Group			
Trade receivables	32,946,751	Loans and receivables	Amortised cost
Refundable deposits	652,112	Loans and receivables	Amortised cost
Deposits with financial institutions	27,528,335	Loans and receivables	Amortised cost
Cash and bank balances	3,180,898	Loans and receivables	Amortised cost
The Company			
Refundable deposits	803	Loans and receivables	Amortised cost
Amount owing by subsidiary companies	7,754,878	Loans and receivables	Amortised cost
Deposits with financial institutions	15,348,464	Loans and receivables	Amortised cost
Cash and bank balances	290,240	Loans and receivables	Amortised cost

Impairment

Financial assets measured at amortised cost under MFRS 9 and contract assets under MFRS 15 will be subject to the impairment provisions of MFRS 9. Meanwhile, the equity investments carried at FVTOCI are outside the scope of impairment provisions of MFRS 9.

The Group expects to apply the simplified approach to recognise lifetime expected credit losses for its financial assets measured at amortised cost and contract assets under MFRS 15.

In general, the directors anticipate that the application of the expected credit losses model of MFRS 9 will result in earlier recognition of credit losses for the respective items and will decrease the opening retained earnings. The Group is currently assessing the detailed financial impact that may arise from the adoption of MFRS 9.

Classification of financial liabilities

MFRS 9 largely retains the existing requirements in MFRS 139 for the classification of financial liabilities.

However, under MFRS 139 all fair value changes of liabilities designated as FVTPL are recognised in profit or loss, whereas under MFRS 9 these fair value changes are generally presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in other comprehensive income; and
- the remaining amount of change in the fair value is presented in profit or loss.

The Group's assessment did not indicate any material impact regarding the classification of financial liabilities.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

MFRS 16 Leases

MFRS 16 specifies how a MFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with MFRS 16's approach to lessor accounting substantially unchanged from its predecessor, MFRS 117.

At lease commencement, a lessee will recognise a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly and the liability accrues interest. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessees shall use their incremental borrowing rate.

The directors are currently assessing the impact of adoption of MFRS 16 on the amount reported and disclosures made in these financial statements. However, it is not practicable to provide a reasonable estimate of the effect of MFRS 16 until the Group and the Company complete a detailed review.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of MFRS 2, leasing transactions that are within the scope of MFRS 117 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 or value- in-use in MFRS 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Subsidiary Companies and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary company begins when the Company obtains control over the subsidiary company and ceases when the Company loses control of the subsidiary company. Specifically, income and expenses of a subsidiary company acquired or disposed off during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary company.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiary companies are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Subsidiary Companies and Basis of Consolidation (Cont'd)

Changes in the Group's ownership interests in subsidiary companies that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary companies. Any difference between the amount by which the non-controlling interests are adjusted at the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Where the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business Combinations

Acquisitions of subsidiary companies and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant MFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed off.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under MFRS 3 (revised) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 *Income Taxes* and MFRS 119 *Employee Benefits*, respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with MFRS 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Business Combinations (Cont'd)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items of which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of returns and trade discounts after eliminating sales within the Group.

The Group recognises revenue when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be measured reliably.

Sale of goods through consignment and retail

Revenue is recognised upon delivery of products and customer acceptance, net of discounts and returns, and when the risks and rewards of ownership have passed to the buyer.

Dividend income

Dividend income is recognised when the shareholders' right to receive payment is established.

Interest income

Interest income is recognised on an accrual basis, by reference to the principal outstanding and at the effective interest rate.

Rental income

Rental income is recognised on straight-line basis in accordance with the substance of the relevant agreements entered into.

Foreign Currency Conversion

The individual financial statements of each individual entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements of the Group, the results and financial position of each entity are expressed in Ringgit Malaysia, which is the functional currency of the Company and the presentation currency in the financial statements of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Foreign Currency Conversion (Cont'd)

In preparing the financial statements of individual entity, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year, calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or recoverable).

Deferred tax is provided for, using the "liability" method, on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

The carrying amount of deferred tax assets, if any, is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle their current tax assets and liabilities on a net basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Employee Benefits

(i) Short-term benefits

Wages, salaries, paid annual leave, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company.

(ii) Defined contribution plan

The Group and the Company are required by law to make monthly contributions to the Employees Provident Fund ("EPF"), a statutory defined contribution plan for all their eligible employees based on certain prescribed rates of the employees' applicable remuneration. Contributions are charged to profit or loss in the year in which they relate. Once the contributions have been paid, the Group and the Company have no further payment obligations.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term. However, contingent rentals arising from operating leases are recognised as an expense in a manner consistent with the basis on which they are determined.

Impairment of Assets

At the end of each reporting period, the Group and the Company review the carrying amounts of their tangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Group and the Company and the cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to profit or loss in the period in which they are incurred.

Depreciation of property, plant and equipment is computed on the straight-line method at the following annual rates based on the estimated useful lives of the various property, plant and equipment:

Leasehold building	2%
Furniture and fittings	5% - 20%
Motor vehicles	20%
Office equipment	10%
Renovations	10%
Shoplot	2%

At the end of each reporting period, the residual values, useful lives and depreciation method of the property, plant and equipment are reviewed, and the effects of any changes in estimates are recognised prospectively.

Gain or loss arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

Prepaid Lease Payments

Leasehold interests in long leasehold land are accounted for as operating leases and are classified as prepaid lease payments. Prepaid lease payments are amortised evenly over the lease term of the land.

Investment Properties

Investment properties are held for long-term investment potential and for rental income. Investment properties are stated at cost less accumulated depreciation and any impairment loss.

Depreciation of investment properties is computed on the straight-line method at the following annual rates based on the estimated useful lives of the assets:

Apartment	2%
Shoplot	2%

Gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss in the period of the retirement or disposal.

Investment in Subsidiary Companies

Investment in unquoted shares of subsidiary companies, which is eliminated on consolidation, is stated at cost less impairment losses in the Company's financial statements. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Inventories

Inventories, which consist mainly of trading merchandise, are valued at the lower of cost and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs. Cost is determined on the weighted average basis which approximates actual cost and includes all costs in bringing the inventories to their present location and condition.

Provisions

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material.

At the end of each reporting period, provisions are revised by the directors and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that the Group and the Company will be required to settle the obligation.

Treasury Shares

Share bought back held as treasury shares are accounted for on the cost method and presented as a deduction from equity. Should such shares be cancelled, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves as appropriate. When such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental external cost and the deferred tax effects, is recognised in equity.

Financial Instruments

Financial instruments are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments.

Where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, such financial assets are recognised and derecognised on trade date.

Financial instruments are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial Assets

Financial assets are classified into the following specified categories: financial asset 'at fair value through profit or loss' ("FVTPL"), 'held-to-maturity' investments, 'available-for-sale' ("AFS") financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The financial assets of the Group and of the Company are classified as "loans and receivables".

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Assets (Cont'd)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group and the Company manage together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of profit or loss and other comprehensive income.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group and the Company have the positive intent and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available- for-sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Assets (Cont'd)

Available-for-sale financial assets (Cont'd)

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's and the Company's right to receive the dividends is established.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the end of the reporting period.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

(a) Loans and receivables

Receivables assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

In respect of receivables carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

(b) Available-for-sale financial assets

For equity instruments classified as AFS, a significant or prolonged decline in the fair value of the securities below its cost is considered to be objective evidence of impairment.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are classified to profit or loss in the period.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Assets (Cont'd)

(b) Available-for-sale financial assets (Cont'd)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the assets' carrying amount and the present value of the estimated future cash flows discounted at the current market value of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

Derecognition of financial assets

Financial assets are derecognised when the contractual right to receive cash flows from the asset has expired or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Company neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Group and the Company recognise their retained interest in the asset and an associated liability for amounts they may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and receivable and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and also on the definition of a financial liability or an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of direct attributable transactions costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'. The financial liabilities of the Group and of the Company are classified as 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial liabilities and equity instruments (Cont'd)

Financial liabilities at FVTPL (Cont'd)

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group and the Company manage together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statements of profit or loss and other comprehensive income.

Other financial liabilities

Other financial liabilities, including trade payables, other payables and accrued expenses and short-term borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period and the amount initially recognised less cumulative amortisation.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Statements of Cash Flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

Cash and cash equivalents comprise cash and bank balances, and deposits with a licensed bank and financial institutions are short-term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(a) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, which are described in Note 3 above, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities of the Group and of the Company within the next financial year (apart from those involving estimations which are dealt with below)

- Allowance for slow moving inventories

  The Group reviews the inventory aged listing on a periodic basis. The purpose is to ascertain whether an allowance is required in the financial statements for any obsolete and/or slow-moving items. In addition, the Group conducts physical counts on their inventories on a periodic basis in order to determine whether any allowance is required to be made.

  At the end of the reporting period, management had made an allowance for slow moving inventories of RM114,813 (2017: RM214,483) as disclosed in Note 16.

- Inventories written down to net realisable value

  The Group writes down its inventories to net realisable value based on assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts could not be recovered.

  Write-downs of inventory to net realisable value has been reduced by RM323,927(2017: RM8,966) in respect of the reversal of such write-downs as disclosed in Note 16.

- Impairment of assets

  Determining whether property, plant and equipment and investment properties are impaired requires an estimation of the recoverable amounts of the property, plant and equipment and investment properties. As of June 30, 2018, the Group's accumulated impairment losses in respect of property, plant and equipment and investment properties amounted to RM244,011 (2017: RM244,011) and RM308,486 (2017: RM355,077) as disclosed in Notes 12 and 14, respectively. Management exercises its judgement in estimating the recoverable amounts of the property, plant and equipment and investment properties.

5. REVENUE

An analysis of revenue is as follows:

	The Group		The Company	
	2018	**2017**	**2018**	**2017**
	RM	**RM**	**RM**	**RM**
Trading of casual and sportswear, sports accessories, and children and working attire:				
Consignment	**110,264,063**	118,167,190	**-**	-
Retail	**6,692,327**	7,530,556	**-**	-
Dividend income from subsidiary company (Note 15)	**-**	-	**703,818**	918,024
	116,956,390	125,697,746	**703,818**	918,024

6. OPERATING COSTS APPLICABLE TO REVENUE

The operating costs classified by nature, applicable to revenue, are as follows:

	The Group		The Company	
	2018	**2017**	**2018**	**2017**
	RM	**RM**	**RM**	**RM**
Changes in inventories of trading merchandise	**14,103,174**	(3,760,475)	**-**	-
Purchases of trading merchandise	**56,811,729**	78,021,673	**-**	-
Employee benefits expense	**30,435,374**	34,282,294	**-**	-
Depreciation of:				
Property, plant and equipment (Note 12)	**3,118,089**	3,370,922	**7,825**	8,000
Investment properties (Note 14)	**16,845**	17,703	**16,845**	17,703
Amortisation of prepaid lease payments (Note 13)	**33,034**	33,032	**-**	-
Other expenses	**11,526,182**	11,605,047	**432,457**	363,531
	116,044,427	123,570,196	**457,127**	389,234

Employee benefits expense includes salaries, bonuses, contributions to EPF and all other staff related expenses. Contributions to EPF by the Group during the current financial year amounted to RM3,288,620 (2017: RM3,585,888).

Notes to the Financial Statements

7. FINANCE COSTS

Finance costs are as follows:

	The Group 2018 RM	2017 RM
Interest expense on:		
Bankers' acceptances	**184,470**	253,654
Hire-purchase	**8,982**	8,441
Bank overdraft	**3,732**	975
	197,184	263,070

8. SEGMENT REPORTING

No segment reporting is presented as the Group is principally engaged in product designing, product development, marketing and retailing of sports apparel and accessories, casual wear under its own brand name, all types of garments and apparels, clothing, footwear and accessories, and operates principally in Malaysia.

9. PROFIT BEFORE TAX

Profit before tax is arrived at:

	The Group 2018 RM	The Group 2017 RM	The Company 2018 RM	The Company 2017 RM
After charging:				
Inventories written off	**1,464,204**	1,845,104	**-**	
Rental of premises	**1,607,168**	1,468,896	**-**	
Compensation of key management personnel who are the directors of the Company as follows:				-
Executive Directors:				-
Salaries	**2,541,000**	2,541,000	**-**	
Contributions to EPF	**482,790**	482,790	**-**	-
Non-executive Directors:				
Fees	**139,000**	133,500	**139,000**	133,500
Property, plant and equipment written off	**547,922**	273,105	**-**	-
Royalty fees	**422,195**	454,386	**-**	-
Allowance for slow moving inventories	**-**	135,423	**-**	-
Fees paid/payable to external auditors:				
Statutory audit	**103,000**	103,000	**40,000**	40,000
Non-audit services	**38,564**	21,050	**6,164**	5,300
Loss on foreign exchange - net:				
Realised	**72,279**	72,638	**-**	-
Unrealised	**184**	6,224	**-**	-

9. PROFIT BEFORE TAX (CONT'D)

	The Group		The Company	
	2018	2017	2018	2017
	RM	RM	RM	RM
And crediting:				
Interest income from:				
Deposits with financial institutions	**773,562**	707,004	**550,751**	543,401
Subsidiary company (Note 15)	**-**	-	**206,131**	91,713
Rental income	**3,800**	3,600	**3,800**	3,600
Reversal of allowance for slow moving inventories	**99,670**	-	**-**	-
Reversal of inventories written down	**323,927**	8,966	**-**	-
Royalty fee income	**56,000**	24,000	**-**	-
Gain on disposal of:				
Property, plant and equipment	**39,623**	-	**-**	-
Investment property	**19,734**	-	**19,734**	-

The estimated monetary value of benefits-in-kind received and receivable by the directors otherwise than in cash from the Group amounted to RM179,892 (2017: RM148,554).

10. INCOME TAX EXPENSE

	The Group		The Company	
	2018	2017	2018	2017
	RM	RM	RM	RM
Estimated tax payable:				
Current year	**788,848**	1,175,334	**50,199**	19,197
Overprovision in prior years	**(66,650)**	(9,343)	**(62)**	-
	722,198	1,165,991	**50,137**	19,197
Deferred tax (Note 22):				
Current year	**(92,343)**	(169,575)	**-**	-
	629,855	996,416	**50,137**	19,197

10. INCOME TAX EXPENSE (CONT'D)

A numerical reconciliation of income tax expense applicable to profit before tax at the applicable statutory income tax rate to income expense at the effective income tax rate is as follows:

	The Group		The Company	
	2018 RM	2017 RM	2018 RM	2017 RM
Profit before tax	**1,664,829**	2,775,528	**1,027,107**	1,230,803
Tax expense at the statutory income tax rate of 24% (2017: 24%)	**399,559**	666,127	**246,506**	295,393
Tax effects of:				
Non-taxable income	**(31,849)**	(126,020)	**(255,890)**	(313,130)
Non-deductible expenses	**292,664**	413,060	**59,583**	36,934
Deferred tax assets not recognised	**36,131**	52,592	**-**	-
Overprovision of current tax in prior years	**(66,650)**	(9,343)	**(62)**	-
	629,855	996,416	**50,137**	19,197

11. EARNINGS PER ORDINARY SHARE

Basic

The calculation of basic earnings per share for the year is based on the profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the year as follows:

	The Group	
	2018 RM	2017 RM
Profit attributable to owners of the Company	**1,034,974**	1,779,112

	The Group	
	2018	2017
Number of ordinary shares in issue as of July 1	**116,973,050**	117,395,350
Effect of share buyback held as treasury shares	**(1,614,341)**	(165,299)
Weighted average number of ordinary shares in issue as of June 30	**115,358,709**	117,230,051

	The Group	
	2018	2017
Basic earnings per share (sen)	**0.90**	1.52

Diluted

There are no diluted earnings per share as the Company has no dilutive potential ordinary shares.

12. PROPERTY, PLANT AND EQUIPMENT

The Group

Cost	Leasehold building RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Renovations RM	Shoplot RM	Total RM
As of July 1, 2016	11,183,196	15,552,939	3,074,518	2,384,377	4,601,036	391,244	37,187,310
Additions	-	1,172,402	35,000	31,940	116,375	-	1,355,717
Write-offs	-	(268,323)	-	(25,267)	(382,927)	-	(676,517)
As of June 30, 2017	11,183,196	16,457,018	3,109,518	2,391,050	4,334,484	391,244	37,866,510
As of July 1, 2017	11,183,196	16,457,018	3,109,518	2,391,050	4,334,484	391,244	37,866,510
Additions	-	917,242	211,393	65,423	317,667	-	1,511,725
Write-offs	-	(1,267,760)	-	(8,548)	(484,269)	-	(1,760,577)
Disposals	-	-	(147,349)	-	-	-	(147,349)
As of June 30, 2018	**11,183,196**	**16,106,500**	**3,173,562**	**2,447,925**	**4,167,882**	**391,244**	**37,470,309**
Accumulated Depreciation							
As of July 1, 2016	1,630,925	9,158,428	1,659,540	1,683,478	2,284,839	93,247	16,510,457
Charge for the year	223,664	2,101,668	459,786	145,452	432,527	7,825	3,370,922
Write-offs	-	(187,666)	-	(14,362)	(201,384)	-	(403,412)
As of June 30, 2017	1,854,589	11,072,430	2,119,326	1,814,568	2,515,982	101,072	19,477,967
As of July 1, 2017	1,854,589	11,072,430	2,119,326	1,814,568	2,515,982	101,072	19,477,967
Charge for the year	223,664	1,846,285	493,222	140,956	406,137	7,825	3,118,089
Write-offs	-	(979,075)	-	(549)	(233,031)	-	(1,212,655)
Disposals	-	-	(147,349)	-		-	(147,349)
As of June 30, 2018	**2,078,253**	**11,939,640**	**2,465,199**	**1,954,975**	**2,689,088**	**108,897**	**21,236,052**

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group

Accumulated Impairment Loss	**Leasehold building RM**	**Furniture and fittings RM**	**Motor vehicles RM**	**Office equipment RM**	**Renovations RM**	**Shoplot RM**	**Total RM**
As of July 1, 2016/June 30, 2017/ July 1, 2017/June 30, 2018	-	-	-	-	-	244,011	244,011
Net Book Value							
As of June 30, 2018	**9,104,943**	**4,166,860**	**708,363**	**492,950**	**1,478,794**	**38,336**	**15,990,246**
As of June 30, 2017	9,328,607	5,384,588	990,192	576,482	1,818,502	46,161	18,144,532

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company

	Office equipment RM	Shoplot RM	Total RM
Cost			
As of July 1, 2016/June 30, 2017/July 1, 2017/June 30, 2018	2,100	100,935	103,035
Accumulated Depreciation			
As of July 1, 2016	1,925	46,949	48,874
Charge for the year	175	7,825	8,000
As of June 30, 2017	2,100	54,774	56,874
As of July 1, 2017	2,100	54,774	56,874
Charge for the year	-	7,825	7,825
As of June 30, 2018	**2,100**	**62,599**	**64,699**
Net Book Value			
As of June 30, 2018	**-**	**38,336**	**38,336**
As of June 30, 2017	-	46,161	46,161

As of June 30, 2018, the title to a shoplot with net book value of RM38,336 (2017: RM46,161) has not yet been registered in the name of the Company.

Included in property, plant and equipment of the Group and the Company are fully depreciated assets which are still in use, with costs of RM9,477,628 (2017: RM7,808,856) and RM2,100 (2017: RMNil) respectively.

At the end of the reporting period, the net book values of property, plant and equipment of the Group acquired under hire-purchase is RMNil (2017: RM73,200).

13. PREPAID LEASE PAYMENTS

	The Group Long-term leasehold land	
	2018 RM	2017 RM
Cost		
At beginning and end of year	**2,741,704**	2,741,704
Accumulated Depreciation		
At beginning of year	**404,647**	371,615
Amortisation for the year (Note 6)	**33,034**	33,032
At end of year	**437,681**	404,647
Net Book Value	**2,304,023**	2,337,057

The unexpired portion of the said leasehold land as of June 30, 2018 is 70 (2017: 71) years.

14. INVESTMENT PROPERTIES

The Group

	Apartment RM	Shoplot RM	Total RM
Cost			
As of July 1, 2016/June 30, 2017/July 1, 2017	128,700	756,446	885,146
Disposal	(128,700)	-	(128,700)
As of June 30, 2018	**-**	**756,446**	**756,446**
Accumulated Depreciation			
As of July 1, 2016	52,553	30,258	82,811
Charge for the year	2,574	15,129	17,703
As of June 30, 2017/July 1, 2017	55,127	45,387	100,514
Charge for the year	1,716	15,129	16,845
Disposal	(56,843)	-	(56,843)
As of June 30, 2018	**-**	**60,516**	**60,516**
Accumulated Impairment Loss			
As of July 1, 2016/June 30, 2017/July 1, 2017	46,591	308,486	355,077
Disposal	(46,591)	-	(46,591)
As of June 30, 2018	-	308,486	308,486
Net Book Value			
As of June 30, 2018	**-**	**387,444**	**387,444**
As of June 30, 2017	26,982	402,573	429,555

14. INVESTMENT PROPERTIES (CONT'D)

The Company

	Apartment RM	Shoplot RM	Total RM
Cost			
As of July 1, 2016/June 30, 2017/July 1, 2017	45,000	756,446	801,446
Disposal	(45,000)	-	(45,000)
As of June 30, 2018	**-**	**756,446**	**756,446**
Accumulated Depreciation			
As of July 1, 2016	15,444	30,258	45,702
Charge for the year	2,574	15,129	17,703
As of June 30, 2017/July 1, 2017	18,018	45,387	63,405
Charge for the year	1,716	15,129	16,845
Disposal	(19,734)	-	(19,734)
As of June 30, 2018	**-**	**60,516**	**60,516**
Accumulated Impairment Loss			
As of July 1, 2016/June 30, 2017/July 1, 2017/June 30, 2018	-	308,486	308,486
Net Book Value			
As of June 30, 2018	**-**	**387,444**	**387,444**
As of June 30, 2017	26,982	402,573	429,555

The rental income earned by the Group and the Company from its investment properties during the year amounted to RM3,800 (2017: RM3,600).

Direct operating expenses incurred by the Group and the Company for investment properties amounted to RM2,744 (2017: RM3,345).

As of June 30, 2018, the Group has recognised an impairment loss of RM308,486 (2017: RM308,486) in respect of its shoplot located at Pulau Melaka based on the estimated recoverable amount of the said property. The estimated recoverable amount is determined by reference to market evidence of transaction prices for similar properties in the surrounding area.

14. INVESTMENT PROPERTIES (CONT'D)

The Company (Cont'd)

Details of the Group's and the Company's investment properties and information about the fair value hierarchy are as follows:

	Fair value as of June 30 RM	Level 1 RM	Level 2 RM	Level 3 RM
The Group				
2018				
Shoplot	**387,444**	**-**	**-**	**387,444**
2017				
Apartment	26,982	-	-	26,982
Shoplot	402,573	-	-	402,573
The Company				
2018				
Shoplot	**387,444**	**-**	**-**	**387,444**
2017				
Apartment	26,982	-	-	26,982
Shoplot	402,573	-	-	402,573

There were no transfers between Levels 1, 2 and 3 during the year.

The fair value of the Group's and the Company's investment properties as of the end of the reporting period has been arrived at on the basis of the directors' best estimates based on market comparable approach based on market evidence of transaction prices for similar properties nearby the surrounding area.

15. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2018 RM	2017 RM
Unquoted shares - at cost	**41,948,378**	41,948,378

15. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

The details of the subsidiary companies, which are incorporated in Malaysia, are as follows:

Name of Subsidiary Companies	Proportion of Ownership Interest 2018 %	2017 %	Principal Activities
Direct			
Cheetah Corporation (M) Sdn. Bhd.	**100**	100	Product designing, product development, marketing and retailing of sports apparel and accessories and casual wear under its own brand name
Cheetah Marketing Sdn. Bhd.	**100**	100	Product designing, product development, marketing and retailing of all types of garments and apparels, clothing, footwear and accessories

On June 30, 2018, the subsidiary company, Cheetah Marketing Sdn Bhd has transferred all its business activities to Cheetah Corporation (M) Sdn Bhd with effect from 1 July 2018. Management intends to perform a voluntary winding up of Cheetah Marketing Sdn. Bhd. after the business has been completely transferred and all liabilities are settled. Therefore, the subsidiary's financial statements are prepared on a basis other than that of a going concern. However, this does not affect the financial statements of the Group as the transfer of business is between the subsidiaries.

Amount owing by subsidiary companies, which arose mainly from advances and payments made on behalf, is unsecured, bears interest at rates ranging from 2.52% to 2.75% (2017: 2.39% to 2.79%) per annum and is repayable on demand.

Significant transactions undertaken on agreed terms and prices by the Company with its subsidiary companies during the financial year are as follows:

	The Company 2018 RM	2017 RM
Interest income received/receivable from subsidiary companies (Note 9)	**206,131**	91,713
Dividend income received from a subsidiary company (Note 5)	**703,818**	918,024

Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Principal activities	Place of incorporation and operation	Number of wholly-owned subsidiary companies 2018	2017
Product designing, product development, marketing and retailing of sports apparel and accessories and casual wear under its own brand name, and all type of garments and apparels, clothing, footwear and accessories.	Malaysia	**2**	2

16. INVENTORIES

	The Group 2018 RM	The Group 2017 RM
Trading merchandise	**55,065,074**	69,267,918
Less: Allowance for slow moving inventories	**(114,813)**	(214,483)
	54,950,261	69,053,435
Recognised in profit or loss:		
Inventories recognised as cost of sales	**70,914,903**	74,261,198

Write-downs of inventory to net realisable value has been reduced by RM323,927 (2017: RM8,966) in respect of the reversal of such write-downs. Previous write-downs have been reversed as a result of sales price revision.

17. TRADE RECEIVABLES, REFUNDABLE DEPOSITS AND PREPAID EXPENSES

	The Group 2018 RM	The Group 2017 RM
Trade receivables	**32,829,665**	36,717,199
Accrued receivable	**117,086**	-
Net	**32,946,751**	36,717,199

Trade receivables comprise amounts receivable for the sale of goods. Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

The credit period granted to customers for sale of goods ranges from 30 to 60 days (2017: 30 to 60 days). The Group's historical experience in collection of trade receivables falls within the recorded allowances and management believes that there is no additional credit risk beyond the allowances made. Trade receivables are denominated in Ringgit Malaysia.

Included in the Group's trade receivables balance are debtors with a carrying amount of RM4,057,896 (2017: RM8,108,865) which are past due at the end of the reporting period for which the Group has not provided for doubtful debts as there has not been a significant change in credit quality and the Group believes that the amount is fully recoverable. The Group does not hold any collateral over these balances. The past due aging for these receivables ranges from 30 to over 150 days (2017: 30 to over 150 days).

An analysis of trade receivables is as follows:

	The Group 2018 RM	The Group 2017 RM
Not past due and not impaired	**28,771,769**	28,608,334
Past due but not impaired	**4,057,896**	8,108,865
	32,829,665	36,717,199

17. TRADE RECEIVABLES, REFUNDABLE DEPOSITS AND PREPAID EXPENSES (CONT'D)

Ageing of past due but not impaired are as follows:

	The Group	
	2018 RM	2017 RM
Past due < 1 month	**2,963,045**	3,694,030
Past due 1 - 2 months	**870,137**	4,137,046
Past due 2 - 3 months	**129,212**	183,910
Past due 3 - 4 months	**91,247**	59,162
Past due > 4 months	**4,255**	34,717
	4,057,896	8,108,865

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was granted up to the end of the reporting period.

The Group has no major concentration of credit risk except for amounts due from 6 (2017: 6) major customers which constitute approximately 72% (2017: 68%) of total trade receivables.

Refundable deposits and prepaid expenses consist of:

	The Group		The Company	
	2018 RM	2017 RM	2018 RM	2017 RM
Refundable deposits	**652,112**	698,426	**803**	803
Prepaid expenses	**685,668**	325,490		-
Goods and Service Tax receivables	**71,371**	-	**-**	-
	1,409,151	1,023,916	**803**	803

18. DEPOSITS WITH FINANCIAL INSTITUTIONS

	The Group		The Company	
	2018 RM	2017 RM	2018 RM	2017 RM
Deposits with:				
Financial institutions	**27,528,335**	17,944,793	**15,348,464**	15,447,786

The above fixed deposits earn interest at rates ranging from 1.30% to 3.78% (2017: 1.30% to 2.70%) per annum with maturity period ranging from 1 day to 31 days (2017: 1 day to 31 days).

19. SHARE CAPITAL

	The Group and The Company 2018 RM	2017 RM
Issued and fully paid:		
127,620,750 ordinary shares	**63,810,375**	63,810,375

20. TREASURY SHARES

This amount relates to the acquisition cost of treasury shares. The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

The shares repurchased are held as treasury shares as allowed under Section 127(4)(b) of the Companies Act, 2016 and are carried at cost. The Company has a right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

The details of the shares bought back as of June 30, 2018 for the Group and the Company are as follows:

Month	Number of shares bought back Units	Highest price paid RM	Lowest price paid RM	Average price paid RM	Total cost RM
2016					
Purchase up to financial year 2016	10,225,400				5,012,861
2017					
August 2016	107,800	0.4652	0.4652	0.4652	50,147
November 2016	83,500	0.4672	0.4672	0.4672	39,010
May 2017	231,000	0.4656	0.4372	0.4597	106,195
	422,300				195,352
As of June 30, 2017	10,647,700				5,208,213
2018					
July 2017	51,000	0.4362	0.4362	0.4362	22,245
September 2017	688,900	0.4299	0.5300	0.5168	356,029
October 2017	1,373,700	0.4890	0.5000	0.4912	674,727
	2,113,600				1,053,001
As of June 30, 2018	**12,761,300**				**6,261,214**

The shares were bought using internally generated funds. During the current financial year, none of the treasury shares repurchased were sold.

21. RETAINED EARNINGS AND CAPITAL RESERVE

Retained earnings

The Company is able to distribute cash dividends out of its entire retained earnings under the single tier income tax system. Dividends paid under the single tier income tax system are tax exempt in the hands of shareholders.

Capital reserve

Capital reserve represents gain on resale of treasury shares in prior years.

22. DEFERRED TAX LIABILITIES

	The Group		The Company	
	2018 RM	**2017 RM**	**2018 RM**	**2017 RM**
At beginning of year	**731,457**	901,032	**92**	92
(Credit)/Charge to profit or loss (Note 10):				
Property, plant and equipment	**(128,325)**	(205,755)	**-**	-
Inventories	**29,271**	(30,175)	**-**	-
Trade receivables	**-**	21,721	**-**	-
Trade payables	**1,494**	(1,928)	**-**	-
Other payables and accrued expenses	**5,217**	46,562	**-**	-
	(92,343)	(169,575)	**-**	-
At end of year	**639,114**	731,457	**92**	92

Certain deferred tax assets and deferred tax liabilities have been offset in accordance with the Group's accounting policy. The following is an analysis of the deferred tax balances (after offset) for statements of financial position purposes:

	The Group		The Company	
	2018 RM	**2017 RM**	**2018 RM**	**2017 RM**
Deferred tax liabilities	**639,114**	731,457	**92**	92

Deferred tax liabilities provided in the financial statements are in respect of the tax effects of the following:

	The Group		The Company	
	2018 RM	**2017 RM**	**2018 RM**	**2017 RM**
Deferred tax liabilities (before offsetting)				
Temporary differences arising from property, plant and equipment	**672,837**	801,162	**92**	92
Offsetting	**(33,723)**	(69,705)	**-**	-
Deferred tax liabilities (after offsetting)	**639,114**	731,457	**92**	92

22. DEFERRED TAX LIABILITIES (CONT'D)

	The Group		The Company	
	2018	2017	2018	2017
	RM	RM	RM	RM
Deferred tax assets (before offsetting)				
Temporary differences arising from:				
Inventories	**18,384**	47,655	**-**	-
Trade payables	**-**	1,494	**-**	-
Other payables and accrued expenses	**15,339**	20,556	**-**	-
	33,723	69,705	**-**	-
Offsetting	**(33,723)**	(69,705)	**-**	-
Deferred tax assets (after offsetting)	**-**	-	**-**	-

As mentioned in Note 3, deferred tax assets are generally recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. As of June 30, 2018, the estimated amount of deductible temporary differences, for which the tax effects have not been recognised in the financial statements due to uncertainty of their realisation, is as follows:

	The Group	
	2018	2017
	RM	RM
Temporary differences arising from:		
Property, plant and equipment	**3,401**	-
Inventories	**38,214**	15,920
Other payables and accrued expenses	**193,490**	203,215
Unabsorbed capital allowances	**134,576**	-
	369,681	219,135

23. HIRE-PURCHASE OBLIGATIONS

	The Group	
	2018	2017
	RM	RM
Total installments outstanding	**-**	88,379
Less: Interest-in-suspense	**-**	(9,096)
Principal outstanding	**-**	79,283
Less: Portion of term loan due within one year, included under current liabilities	**-**	(73,200)
Non-current portion	**-**	6,083

23. HIRE-PURCHASE OBLIGATIONS (CONT'D)

The non-current portion is payable as follows:

	2018 RM	2017 RM
Financial years ending June 30, 2019	**-**	6,083

It is the Group's policy to acquire certain of its motor vehicles under hire purchase arrangement. The average lease term is 5 years. In 2017, the average effective borrowing rate is 4.37% per annum. Interest rates are fixed at the inception of the hire-purchase arrangements.

24. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The credit period granted to the Group for trade purchases ranges from 90 to 120 days (2017: 90 to 120 days).

The currency profile of trade payables is as follows:

	The Group	
	2018 RM	2017 RM
Ringgit Malaysia	**6,228,531**	12,111,475
Thai Baht	**53,645**	537,729
United States Dollar	**-**	1,011,459
	6,282,176	13,660,663

Other payables and accrued expenses consist of:

	The Group		The Company	
	2018 RM	2017 RM	2018 RM	2017 RM
Other payables	**387,944**	563,483	**3,000**	600
Accrued expenses	**1,930,468**	3,097,371	**247,888**	178,900
Accrued interest expense	**7,921**	29,013	**-**	-
	2,326,333	3,689,867	**250,888**	179,500

Included in other payables of the Group and the Company are payables for acquisition of property, plant and equipment amounting to RM382,131 (2017: RMNil).

Included in accrued expenses of the Group and the Company are accruals for goods and services tax, royalties, general administrative and staff related expenses.

25. SHORT-TERM BORROWINGS - UNSECURED

	The Group	
	2018	2017
	RM	RM
Bankers' acceptances	**874,000**	3,052,441

As of June 30, 2018, a subsidiary company has credit facilities totaling RM17,100,000 (2017: RM17,100,000) obtained from local banks. These facilities bear interest at rates ranging from 3.26% to 4.16% (2017: 3.80% to 4.09%) per annum and are covered by the following:

(i) corporate guarantee of the Company; and

(ii) negative pledge on all present and future properties and assets of the subsidiary company.

26. DIVIDENDS

	The Group and The Company	
	2018	2017
	RM	RM
First and final single tier dividend of RM0.0060 (2017: RM0.0075) per ordinary share	**689,157**	879,030

The directors proposed a final single tier dividend of RM0.0040 per share in respect of the current financial year. The proposed final dividend is subject to the approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending June 30, 2019.

The proposed dividend for 2018 is payable in respect of all outstanding ordinary shares in issue at a date to be determined by the directors subsequent to the approval of the shareholders at the forthcoming Annual General Meeting.

27. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following amounts on the statements of financial position:

	The Group		The Company	
	2018	2017	2018	2017
	RM	RM	RM	RM
Deposits with financial institutions	**27,528,335**	17,944,793	**15,348,464**	15,447,786
Cash and bank balances	**3,180,898**	4,523,601	**290,240**	548,743
	30,709,233	22,468,394	**15,638,704**	15,996,529

28. RENTAL COMMITMENTS

As of June 30, 2018, the Group has the following commitments in respect of rental of sales outlets:

	Future minimum lease payments	
	The Group	
	2018	2017
	RM	RM
Within 1 year	**1,040,482**	668,183
Within 1 - 2 years	**591,013**	642,623
Within 2 - 5 years	**-**	1,105,301
	1,631,495	2,416,107

29. CORPORATE GUARANTEES

The Company has provided corporate guarantees to certain financial institutions pertaining to the banking facilities utilised by its subsidiary companies as of June 30, 2018.

The total amount of corporate guarantees provided by the Company for the abovementioned facilities amounted to RM21,100,000 (2017: RM21,100,000). The financial guarantees have not been recognised since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiary companies' borrowing in view of the securities pledged by the subsidiary companies.

30. FINANCIAL INSTRUMENTS

Capital risk management

The objective of the Group's and of the Company's capital management is to safeguard the Group's and the Company's ability to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance. The Group's and the Company's overall strategy remain unchanged since 2017.

The capital structure of the Group and of the Company consist of debt, which includes borrowings and equity of the Group and of the Company, comprising share capital and reserves.

The Group and the Company are not subject to any externally imposed capital requirements.

30. FINANCIAL INSTRUMENTS (CONT'D)

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

	The Group	
	2018	**2017**
	RM	**RM**
Debt (i)	**874,000**	3,131,724
Equity (ii)	**128,704,973**	129,412,157
Debt to equity ratio	**0.7%**	2.4%

(i) Debt is defined as hire-purchase obligations and short-term borrowing as disclosed in Notes 23 and 25 respectively.

(ii) Equity includes share capital, treasury shares, retained earnings and capital reserve.

Categories of financial instruments

	The Group		The Company	
	2018	**2017**	**2018**	**2017**
	RM	**RM**	**RM**	**RM**
Financial assets				
Loans and receivables:				
Trade receivables	**32,946,751**	36,717,199	**-**	-
Refundable deposits	**652,112**	698,426	**803**	803
Amount owing by subsidiary companies	**-**	-	**7,754,878**	7,967,407
Deposits with financial institutions	**27,528,335**	17,944,793	**15,348,464**	15,447,786
Cash and bank balances	**3,180,898**	4,523,601	**290,240**	548,743
	64,308,096	59,884,019	**23,394,385**	23,964,739
Financial liabilities				
Other financial liabilities:				
Trade payables	**6,282,176**	13,660,663	**-**	-
Other payables and accrued expenses	**2,326,333**	3,689,867	**250,888**	179,500
Hire-purchase obligations	**-**	79,283	**-**	-
Short-term borrowings	**874,000**	3,052,441	**-**	-
	9,482,509	20,482,254	**250,888**	179,500

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets, financial liabilities and equity instrument are disclosed in Note 3.

30. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives

The operations of the Group and of the Company are subject to a variety of financial risks, including foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group and the Company have taken measures to minimise their exposure to risks and/or costs associated with the financing, investing and operating activities of the Group and of the Company.

Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group undertakes certain trade transactions in Thai Baht and United States Dollar with trade creditors and therefore is exposed to foreign currency risk. Exposures to foreign currency risk are monitored on an on-going basis.

The carrying amount of the Group's foreign currency denominated monetary liabilities is disclosed in Note 24.

The following table details the Group's sensitivity to a 10% increase and decrease in RM against the following currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only major foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 10% change in foreign currency rates. A positive number below indicates a profit in profit or loss where RM strengthens 10% against the following currencies. For 10% weakening of RM against the following currencies, there would be a comparable impact on profit or loss after tax, the balances below would be negative:

	The Group	
	2018	**2017**
	RM	**RM**
United States Dollar	-	76,871
Thai Baht	**4,077**	40,867
	4,077	117,738

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group is exposed to interest rate risk through the impact of rate changes on bankers' acceptances. The interest rates for the said bankers' acceptances of the Group are disclosed in Note 25.

Interest rate sensitivity analysis

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended June 30, 2018 would decrease/increase by RM6,642 (2017: RM23,198). This is mainly attributable to the Group's exposure to interest rates for floating rate borrowings.

30. FINANCIAL INSTRUMENTS (CONT'D)

Credit risk management

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposed to credit risk mainly from trade receivables.

The Group extends credit to its customers based upon careful evaluation of the customers' financial condition and credit history.

The Group's exposure to credit risk in relation to its trade receivables, should all its customers fail to perform their obligations as of June 30, 2018, is the carrying amount of these receivables as disclosed in the statements of financial position.

The Group places its short-term deposits with credit worthy financial institutions. The carrying amount of financial assets in the financial statements, net of any provision of losses, represents the Group's maximum exposure to credit risk without taking into account the value of any collateral or other security obtained.

The Company is also exposure to credit risk mainly from amount owing by subsidiary companies. The Company monitors on an ongoing basis the results of subsidiary companies and repayments made by subsidiary companies.

Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and financial liabilities and to maintain sufficient credit facilities for contingent funding requirement of working capital.

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations. The table includes both interest and principal cash flows.

	Less than 1 year RM	1 - 2 years RM	More than 2 years RM	Total RM	Contractual interest rate %
The Group					
June 30, 2018					
Non-interest bearing:					
Trade payables	**6,282,176**	-	-	**6,282,176**	
Other payables and accrued expenses	**2,326,333**	-	-	**2,326,333**	
Interest bearing:					
Short-term borrowings	**906,425**	-	-	**906,425**	**3.26 - 4.16**

30. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk management (Cont'd)

	Less than 1 year RM	1 - 2 years RM	More than 2 years RM	Total RM	Contractual interest rate %
The Group					
June 30, 2017					
Non-interest bearing:					
Trade payables	13,660,663	-	-	13,660,663	
Other payables and accrued expenses	3,689,867	-	-	3,689,867	
Interest bearing:					
Hire-purchase obligations	73,200	6,083	-	79,283	4.37
Short-term borrowings	3,172,860	-	-	3,172,860	3.80 - 4.09

	Less than 1 year RM	1 - 2 years RM	More than 2 years RM	Total RM
The Company				
June 30, 2018				
Non-interest bearing:				
Other payables and accrued expenses	**250,888**	**-**	**-**	**250,888**
June 30, 2017				
Non-interest bearing:				
Other payables and accrued expenses	179,500	-	-	179,500

Fair Values of Financial Instruments

The fair values of financial instruments refer to the amounts at which the instruments could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction. Fair values have been arrived at based on prices quoted in an active, liquid market or estimated using certain valuation techniques such as discounted future cash flows based upon certain assumptions. Amounts derived from such methods and valuation techniques are inherently subjective and therefore do not necessarily reflect the amounts that would be received or paid in the event of immediate settlement of the instruments concerned.

On the basis of the amounts estimated from the methods and techniques as mentioned in the preceding paragraph, the carrying amounts of the various financial assets and financial liabilities reflected on the statements of financial position approximate their fair values.

30. FINANCIAL INSTRUMENTS (CONT'D)

Fair Values of Financial Instruments (Cont'd)

Fair value measurements for financial instruments recognised at amortised costs

The following table provides an analysis of the fair values of the financial instruments that are measured subsequent to initial recognition at amortised costs, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

2018	Carrying amount RM	Fair value RM	Level 1 RM	Level 2 RM	Level 3 RM
Group					
Financial liabilities					
Hire-purchase obligations	-	-	-	-	-

2017	Carrying amount RM	Fair value RM	Level 1 RM	Level 2 RM	Level 3 RM
Group					
Financial liabilities					
Hire-purchase obligations	79,283	79,283*	-	-	79,283

* The fair value of the financial liabilities in issue is equivalent to their carrying amount as their effective interest rates are considered to be market rates.

31. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were or future cash flows will be, classified in the Group's statements of cash flows as cash flows from financing activities:

	Short-term borrowings 2018 RM	Hire-purchase obligations 2018 RM
At beginning of year	**3,052,441**	79,283
Drawdown	**874,000**	-
Repayments	**(3,052,441)**	(79,283)
At end of year	**874,000**	-

Statement by Directors

The directors of **CHEETAH HOLDINGS BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of June 30, 2018 and of the financial performance and the cash flows of the Group and of the Company for the year ended on that date.

Signed on behalf of the Board
in accordance with a resolution of the directors,

CHIA KEE FOO

CHIA KEE KWEI

Kuala Lumpur
September 21, 2018

Declaration by the Director

Primarily Responsible for the Financial Management of the Company

I, **CHIA KEE KWEI**, the director primarily responsible for the financial management of **CHEETAH HOLDINGS BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

CHIA KEE KWEI

Subscribed and solemnly declared by the abovenamed
CHIA KEE KWEI at **KUALA LUMPUR** on this 21st day of September, 2018.

Before me,

COMMISSIONER FOR OATHS

List of Properties

Held by the Group

	Location/Description	Tenure/ Usage	Approximate land Area/ Built Up (sq ft)	Approximate Age/(years)	Date of Acquisition	Net Book Value as at 30-Jun-18 (RM)
1	Parcel No. 109, First Floor Galaxy Ampang Shopping Centre PT Lot 15752 Jalan Dagang 5 Taman Dagang 68000 Ampang Selangor Master Title : H.S. (D) 28688 P.T. No 15752 Mukim Ampang District of Ulu Langat State of Selangor	99 years' leasehold expiring in 20.10.2084/ shoplot in shopping mall	-/396	14	01.12.2004	38,336
2	Parcel No. 197-G Ground Floor Esplanade Plaza Pulau Melaka (Reclaimed Land) Melaka Master Title: Lot 170 pajakan negeri 10967 Kawasan Bandar x1iii Daerah Melaka Tengah	99 years' leasehold expiring in 2096/ a unit on the ground floor of a 4 storey shop office	-/ 1,978	5	06.01.2012	387,444
3	Lot 1846, Jalan KPB 6 Kawasan Perindustrian Kg Bahru Balakong 43300 Seri Kembangan Selangor Darul Ehsan H.S. (M) 3347 PT No 6615 Mukim of Cheras District of Hulu langat Selangor	99 years' leasehold expiring in 2087/ Industrial Land	89,821	12	08.04.2005	11,408,966
	Total					**11,834,746**

Analysis of Shareholdings

As at September 14, 2018

Class of Shares	:	Ordinary shares ("Shares")
Voting Rights	:	1 vote per Share
Issued & Fully Paid-Up Capital	:	RM 63,810,375 comprising 127,620,750 Shares
Treasury Shares	:	12,761,300 Shares
Adjusted Share Capital (after netting Treasury Shares)	:	114,859,450 Shares

DISTRIBUTION OF SHAREHOLDINGS AS AT SEPTEMBER 14, 2018 AS PER RECORD OF DEPOSITORS (ROD)

Size of Shareholdings	No of Shareholders	%	No of Shares	%
1 - 99	101	7.64	2,305	0.00
100 - 1,000	157	11.88	80,702	0.07
1,001 - 10,000	766	57.94	3,055,900	2.66
10,001 - 100,000	249	18.83	7,428,600	6.47
100,001 - 5,742,971 *	46	3.48	25,149,974	21.90
5,742,972 and above **	3	0.23	79,141,969	68.90
	1,322	**100.00**	**114,859,450**	**100.00**

* less than 5% of the Adjusted Share Capital
** 5% and above of the Adjusted Share Capital

THIRTY LARGEST SHAREHOLDERS AS AT SEPTEMBER 14, 2018 AS PER ROD

No	Name of Shareholder	No of Shares Held	%
1	Chia Yoon Yuen Holdings Sdn Bhd	33,462,169	29.13
2	Chia Yoon Yuen Holdings Sdn Bhd	21,000,000	18.29
3	Chia Kee Foo	10,703,950	9.32
4	Chia Kee Kwei	6,292,050	5.48
5	CIMB Group Nominees (Asing) Sdn Bhd Exempt An For DBS Bank Ltd (SFS)	4,081,300	3.55
6	Chia Kee Foo	4,050,000	3.53
7	Chia Kee Yew	3,352,918	2.92
8	Chia Kee Kwei	2,850,000	2.48
9	Hor Ah Kuan	1,444,356	1.26
10	Hor Ah Kuan	1,050,000	0.91

Analysis of Shareholdings

As at September 14, 2018

THIRTY LARGEST SHAREHOLDERS AS AT SEPTEMBER 14, 2018 AS PER ROD (CONT'D)

No	Name of Shareholder	No of Shares Held	%
11	Teo Guan Lee Holdings Sendirian Berhad	1,011,000	0.88
12	Chia Kee Foo	783,800	0.68
13	Hu Yoon Kong	750,000	0.65
14	Teo Kwee Hock	689,900	0.60
15	Lee Guat Kim	680,000	0.59
16	Tan Ai Leng	612,000	0.53
17	Asia Pacific Apparel (M) Sdn Bhd	600,000	0.52
18	Hu Yoon Kong	555,000	0.48
19	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chieng You Ping	530,000	0.46
20	Yee Kok Chee	493,900	0.43
21	Yaw Hon Loong	466,400	0.41
22	Chia Ping Hoong	440,000	0.38
23	Tan Jin Tuan	423,000	0.37
24	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teo Siew Lai	417,300	0.36
25	Kok Kim Lee	410,700	0.36
26	Chan Che San	385,400	0.34
27	Lee Jooi Seng	359,200	0.31
28	Chan Wai Chen	344,000	0.30
29	Tan Lai Ming	310,200	0.27
30	Lim Yin Teck	304,900	0.27
		98,853,443	**86.06**

Analysis of Shareholdings

As at September 14, 2018

DIRECTORS' SHAREHOLDINGS IN THE COMPANY AS AT SEPTEMBER 14, 2018
(based on the Register of Directors' Shareholdings)

	Direct		Indirect	
Director	No of Shares Held	%	No of Shares Held	%
Chia Kee Foo	15,537,750	13.53	54,462,169 *	47.42
Chia Kee Kwei	9,142,050	7.96	54,462,169 *	47.42
Chia Kee Yew	3,352,918	2.92	-	-
Hor Ah Kuan	2,494,356	2.17	-	-
Gong Wooi Teik	200,000	0.17	-	-
Chong Jock Peng	87,500	0.08	-	-
Dato' Tea Choo Keng	-	-	-	-
Others**				
Chia Chay Ching^	370,000	0.32	-	-
Chia Ping Hing^	1,000	0.00	-	-
Chia Ping Hoong^	440,000	0.38	-	-

* Deemed interested by virtue of Section 8 of the Companies Act, 2016 through shareholdings held in Chia Yoon Yuen Holdings Sdn Bhd

** Disclosure of interests pursuant to Section 59(11)(c) of the Companies Act, 2016

^ Chia Chay Ching ,Chia Ping Hing and Chia Ping Hoong are the children of Chia Kee Yew

DIRECTORS' SHAREHOLDINGS IN CHIA YOON YUEN HOLDINGS SDN BHD AS AT SEPTEMBER 14, 2018
(based on the Register of Directors' Shareholdings)

	Direct		Indirect	
Director	No of Shares Held	%	No of Shares Held	%
Chia Kee Foo	5,750	57.50	-	-
Chia Kee Kwei	2,800	28.00	-	-
Chia Kee Yew	1,450	14.50	-	-

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS AT SEPTEMBER 14, 2018
(based on the Register of Substantial Shareholders' Shareholdings)

	Direct		Indirect	
Substantial Shareholder	No of Shares Held	%	No of Shares Held	%
Chia Yoon Yuen Holdings Sdn Bhd	54,462,169	47.42	-	0.00
Chia Kee Foo	15,537,750	13.53	54,462,169 *	47.42
Chia Kee Kwei	9,142,050	7.96	54,462,169 *	47.42

* Deemed interested by virtue of Section 8 of the Companies Act, 2016 through shareholdings held in Chia Yoon Yuen Holdings Sdn Bhd

Notice of Twenty First Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty First Annual General Meeting ("AGM") of Cheetah Holdings Berhad will be held at GREENS II, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Friday, November 16, 2018 at 2.30 p.m. to transact the following business:-

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended June 30, 2018 and the Reports of Directors and Auditors thereon.

2. To approve the payment of a first and final single tier dividend of 0.4 sen per ordinary share for the financial year ended June 30, 2018. **Resolution 1**

3. To approve the payment of Directors' Fees for the financial year ended June 30, 2018. **Resolution 2**

4. To approve the payment of Directors' Fees from July 1, 2018 until the conclusion of the next AGM of the Company. **Resolution 3**

5. To approve the payment of Directors' benefits up to RM10,000.00 from November 17, 2018 until the conclusion of the next AGM of the Company. **Resolution 4**

6. To re-elect Mr Chia Kee Yew as Director who is retiring by rotation pursuant to the Company's Constitution. **Resolution 5**

7. To re-elect Mr Chong Jock Peng as Director who is retiring by rotation pursuant to the Company's Constitution. **Resolution 6**

8. To appoint Messrs BDO as Auditors of the Company in place of the retiring Auditors, Deloitte PLT and to authorise the Directors to fix their remuneration. **Resolution 7**

   Notice of Nomination of Messrs BDO for appointment as Auditors of the Company in place of the retiring Auditors, Deloitte PLT and of the intention to propose the following Ordinary Resolution, a copy of which is annexed and marked "Annexure A" has been received by the Company:-

   "THAT Messrs BDO having consented to act, be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Deloitte PLT, to hold office until the conclusion of the next Annual General Meeting AND THAT authority be and is hereby given to the Directors to determine their remuneration."

SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modification(s), the following Ordinary Resolutions:-

9. **ORDINARY RESOLUTION** **Resolution 8**
   RETENTION OF MR GONG WOOI TEIK AS INDEPENDENT DIRECTOR

   "THAT Mr Gong Wooi Teik be and is hereby retained as Independent Non-Executive Director of the Company and be designated as such until the conclusion of the next Annual General Meeting, subject to the provisions of the relevant regulatory authorities."

Notice of Twenty First Annual General Meeting

10. **ORDINARY RESOLUTION** **Resolution 9**
RETENTION OF MR CHONG JOCK PENG AS INDEPENDENT DIRECTOR

"THAT Mr Chong Jock Peng be and is hereby retained as Independent Non-Executive Director of the Company and be designated as such until the conclusion of the next Annual General Meeting, subject to the provisions of the relevant regulatory authorities."

11. **ORDINARY RESOLUTION** **Resolution 10**
AUTHORITY FOR DIRECTORS TO ISSUE SHARES

"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016, and subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental and/or regulatory authorities (if any), the Directors be and are hereby empowered to issue and allot new shares in the Company at any time, to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per cent (10%) of the total number of issued shares of the Company at the time of issue AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing and quotation of the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

12. To transact any other business for which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN that subject to the approval of the shareholders at the Twenty First Annual General Meeting to be held on Friday, November 16, 2018, a first and final single tier dividend of 0.4 sen per ordinary share for the financial year ended June 30, 2018 will be paid on December 12, 2018 to Depositors registered in the Record of Depositors on December 07, 2018.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on December 07, 2018 in respect of ordinary transfer; and
b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board
CHEETAH HOLDINGS BERHAD

TAN FONG SHIAN (MAICSA 7023187)
LIEW CHAK HOOI (MAICSA 7055965)
Secretaries

Kuala Lumpur
October 18, 2018

Notice of Twenty First Annual General Meeting

Notes:

(1) A member may appoint up to two (2) proxies to attend and vote at the same meeting, and that the appointment shall specify the proportions of his holdings to be represented by each proxy.

(2) Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(3) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

(4) Only a depositor whose name appears in the Company's Record of Depositors as at November 9, 2018 shall be regarded as a member and entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend and vote on his/her behalf.

(5) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

(6) The original instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company at Suite 11.1A, Level 11, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting.

EXPLANATORY NOTES ON SPECIAL BUSINESS

Resolutions 8 & 9

Mr Gong Wooi Teik ("Mr Gong") and Mr Chong Jock Peng ("Mr Chong"), who have served the Board as Independent Non-Executive Directors for a tenure of exceeding nine (9) years, will be retained as Independent Directors if the Ordinary Resolutions 8 & 9 are passed. The retention of Mr Chong as Independent Director is also subject to the passing of Resolution 6. The Board, having carried out an assessment on the independence of Mr Gong and Mr Chong respectively, had considered their tenure as Independent Directors of the Board and based on, among others, the following justifications, the Board recommends that Mr Gong and Mr Chong be retained as Independent Non-Executive Directors of the Company:-

(i) They have confirmed and declared that they are Independent Directors as defined under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Securities;
(ii) They do not have any conflict of interest with the Company and have not entered/are not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies;
(iii) They are currently not sitting on the board of any other public and/or private companies having conflicting business as that of the Company and its subsidiary companies; and
(iv) They do not assist the Company in any operational matters of the Group.

Based on the assessment carried out, the Board is of the opinion that Mr Gong and Mr Chong are important Independent Non-Executive Directors of the Board in view of their many years on the Board with incumbent knowledge of the Company and the Group's activities and corporate history and have provided invaluable contributions to the Board in their role as Independent Non-Executive Directors.

Notice of Twenty First Annual General Meeting

Resolution 10

This proposed resolution, if passed, will renew the authority given to the Directors of the Company to issue and allot new shares in the Company at any time, to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit ("General Mandate"), provided that the number of shares issued pursuant to this General Mandate, when aggregated with the number of shares issued during the preceding twelve (12) months, does not exceed 10% of the total number of issued shares of the Company at the time of issue. This renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The General Mandate procured and approved in the preceding year 2017 which was not exercised by the Company during the year, will expire at the forthcoming Twenty First AGM of the Company.

With this renewed General Mandate, the Company will be able to raise funds expeditiously for the purpose of funding future investment, working capital and/or acquisition(s) without having to convene a general meeting to seek shareholders' approval when such opportunities or needs arise.

Annexure A

Chia Yoon Yuen Holdings Sdn Bhd (437907-W)
5, Jalan Salam 1, Country Height Damansara, 60000 Kuala Lumpur

2 October 2018

The Board of Directors
Cheetah Holdings Berhad
Suite 11.1A, Level 11, Menara Weld
76 Jalan Raja Chulan
50200 Kuala Lumpur
Wilayah Persekutuan

Dear Sirs

NOTICE OF NOMINATION OF AUDITORS

We, being the shareholder of Cheetah Holdings Berhad ("Cheetah" or "the Company") hereby give notice pursuant to Section 273(b) and Section 271(4) of the Companies Act 2016 of our nomination of Messrs BDO for appointment as Auditors of Cheetah in place of the retiring Auditors, Deloitte PLT and in pursuant thereof, propose the following be tabled as an ordinary resolution at the forthcoming Annual General Meeting of Cheetah:-

"THAT Messrs BDO having consented to act, be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Deloitte PLT, to hold office until the conclusion of the next Annual General Meeting AND THAT authority be and is hereby given to the Directors to determine their remuneration."

Thank you.

Yours faithfully
Chia Yoon Yuen Holdings Sdn Bhd

Director

Director

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Securities)

No individual is standing for election as Director at the forthcoming Twenty First Annual General Meeting of the Company.

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Form of Proxy

CHEETAH

CHEETAH HOLDINGS BERHAD (430404-H)
(Incorporated in Malaysia)

Number of shares held	Central Depository System Account No.

I/We ____________________
NRIC/Company No. ____________________
of ____________________
being a member of Cheetah Holdings Berhad ("CHB" or "Company"), hereby appoint ____________________
NRIC No. ____________________
of ____________________

____

or failing him/her, the Chairman of the meeting* as my/our proxy to vote for me/us and on my/our behalf at the **Twenty First Annual General Meeting** of the Company to be held at **GREENS II, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan** on **Friday, November 16, 2018** at **2:30 p.m.** and at any adjournment thereof, and to vote as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
Ordinary Business			
1.	To approve the payment of a first and final single tier dividend of 0.4 sen per ordinary share for the financial year ended June 30, 2018		
2.	To approve the payment of Directors' Fees for the financial year ended June 30, 2018		
3.	To approve the payment of Directors' Fees from July 1, 2018 until the conclusion of the next AGM of the Company		
4.	To approve the payment of Directors' benefits up to RM10,000.00 from November 17, 2018 until the conclusion of the next AGM of the Company		
5.	To re-elect Mr Chia Kee Yew as Director		
6.	To re-elect Mr Chong Jock Peng as Director		
7.	Appointment of Messrs BDO as Auditors in place of the retiring Auditors, Deloitte PLT and to authorise the Directors to fix their remuneration		
SPECIAL BUSINESS			
8.	Retention of Mr Gong Wooi Teik as Independent Director		
9.	Retention of Mr Chong Jock Peng as Independent Director		
10.	Authority for Directors to issue shares		

* Delete the words "Chairman of the meeting" if you wish to only appoint other person(s) to be your proxy(ies).

Please indicate with an " √ " or " X " in the spaces above on how you wish your vote to be cast. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.

The proportion of my/our shareholdings to be represented by my/our proxies are as follows (to be completed ONLY when two proxies are appointed):-

Proxy 1	%
Proxy 2	%

Dated this ____________ day of ____________, 2018

____
Signature / Common Seal of Shareholder

Notes:

(1) A member may appoint up to two (2) proxies to attend and vote at the meeting, and that the appointment shall specify the proportions of his holdings to be represented by each proxy.

(2) Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(3) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

(4) Only a depositor whose name appears in the Company's Record of Depositors as at November 9, 2018 shall be regarded as a member and entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend and vote on his/her behalf.

(5) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

(6) The original instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company at Suite 11.1A, Level 11, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting.

Administrative Notes to the AGM:

1. ***Parking at the venue of the meeting will be free of charge.***
2. ***No door gift will be provided at the meeting.***
3. ***Coffee and tea will be provided at 1:30 pm***

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STAMP

The Company Secretary
CHEETAH HOLDINGS BERHAD (430404-H)
(Incorporated in Malaysia)

Suite 11.1A
Level 11, Menara Weld
76, Jalan Raja Chulan
50200 Kuala Lumpur

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www.cheetah.com.my

CHEETAH HOLDINGS BERHAD (430404-H)
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