

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.18 RM'000	Preceding Year Corresponding Quarter 31.03.17 RM'000	Current Year-To-Date 31.03.18 RM'000	Preceding Year Corresponding Period 31.03.17 RM'000
Revenue	54,675	46,338	155,718	142,478
Operating expenses	(43,647)	(37,519)	(131,223)	(120,011)
Other operating income	542	784	1,830	2,915
Operating profit	11,570	9,603	26,325	25,382
Finance costs	(218)	(126)	(594)	(519)
Profit before taxation	11,352	9,477	25,731	24,863
Tax expense	(2,901)	(2,476)	(6,255)	(6,442)
Profit after taxation	8,451	7,001	19,476	18,421
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	8,451	7,001	19,476	18,421
Profit after taxation attributable to:				
Owners of the parent	8,451	7,001	19,476	18,421
Non-controlling interests	-	-	-	-
	8,451	7,001	19,476	18,421
Total comprehensive income attributable to:				
Owners of the parent	8,451	7,001	19,476	18,421
Non-controlling interests	-	-	-	-
	8,451	7,001	19,476	18,421
Earnings per share attributable to owners of the parent :				
- Basic (sen)	5.28	4.38	12.18	11.52
- Diluted (sen)	N/A	N/A	N/A	N/A

Notes:

N/A - Not applicable

The Unaudited Condensed Consolidated Statement Of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial statements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 31.03.18 RM'000	Audited As At 30.06.17 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	49,241	49,593
Deferred tax assets	835	-
Intangible assets	115	461
Total non-current assets	50,191	50,054
CURRENT ASSETS		
Inventories	98,399	84,576
Trade and other receivables	57,588	55,079
Tax refundable	-	574
Short term investment	30,551	27,910
Deposits, cash and bank balances	8,422	10,375
Total current assets	194,960	178,514
TOTAL ASSETS	245,151	228,568
EQUITY AND LIABILITIES		
Share capital	80,000	80,000
Treasury shares	(70)	(70)
Reserves	130,510	115,832
Total Equity	210,440	195,762
NON-CURRENT LIABILITIES		
Deferred tax liabilities	-	46
Provision	273	261
Bank borrowings	1,155	2,108
Total non-current liabilities	1,428	2,415
CURRENT LIABILITIES		
Trade and other payables	13,729	19,356
Tax liabilities	2,248	1,025
Bank borrowings	17,306	10,010
Total current liabilities	33,283	30,391
TOTAL LIABILITIES	34,711	32,806
TOTAL EQUITY AND LIABILITIES	245,151	228,568
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (SEN)	131.59	122.42

Notes:

The Unaudited Condensed Consolidated Statement Of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial statements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent			Sub-Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Share RM'000	Retained Profits RM'000			
<u>9 months ended 31 March 2018</u>						
As at 01.07.2017	80,000	(70)	115,832	195,762	-	195,762
Profit after taxation / Total comprehensive income for the period	-	-	19,476	19,476	-	19,476
Dividends paid	-	-	(4,798)	(4,798)	-	(4,798)
As at 31.03.2018	80,000	(70)	130,510	210,440	-	210,440
<u>9 months ended 31 March 2017</u>						
As at 01.07.2016	80,000	(70)	99,635	179,565	-	179,565
Profit after taxation / Total comprehensive income for the period	-	-	18,421	18,421	-	18,421
Dividends paid	-	-	(3,198)	(3,198)	-	(3,198)
As at 31.03.2017	80,000	(70)	114,858	194,788	-	194,788

Notes:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date 31.03.18 RM'000	Preceding Year Corresponding Period 31.03.17 RM'000
Cash flows from operating activities		
Profit before taxation	25,731	24,863
Adjustments for:		
Non-cash items	5,163	2,206
Operating profit before changes in working capital	30,894	27,069
Changes in working capital		
Inventories	(15,391)	3,860
Trade and other receivables	(3,442)	(2,556)
Trade and other payables	(2,393)	(650)
Cash from operations	9,668	27,723
Net tax paid	(5,339)	(5,550)
Interest paid	(590)	(511)
Net cash from operating activities	3,739	21,662
Cash flows from/(for) investing activities		
Interest received	881	925
Proceed of disposal property, plant and equipment	4	14
Purchase of property, plant and equipment	(2,283)	(1,953)
Net cash for investing activities	(1,398)	(1,014)
Cash flows from/(for) financing activities		
Drawdown/(Repayment) of bank borrowings	6,343	(15,902)
Dividends paid	(7,996)	(6,397)
Net cash for financing activities	(1,653)	(22,299)
Net increase/(decrease) in cash and cash equivalents	688	(1,651)
Cash and cash equivalents at beginning of period	38,285	46,260
Cash and cash equivalents at end of period	38,973	44,609
Cash and cash equivalents comprise the following:		
Cash and bank balances	5,565	8,833
Short term investments	30,551	31,976
Deposits with licensed banks	2,857	3,800
Cash and cash equivalents	38,973	44,609

Notes:

The Unaudited Condensed Consolidated Statement Of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018

PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to the interim financial report.

These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries (“Group”) since the financial year ended 30 June 2017.

2. Summary of significant accounting policies

a) Changes in accounting policies

The condensed consolidated interim financial statements have been prepared in accordance with MFRSs, which are also in line with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Significant accounting policies adopted are consistent with the audited financial statements for the financial year ended 30 June 2017.

The adoption of the new and revised Malaysian Financial Reporting Standards (“MFRSs”) and IC Interpretations that became mandatory for the current reporting period does not have significant impact on the financial performance or position of the Group.

3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements of the Group for the financial year ended 30 June 2017 was not subject to any audit qualification.

4. Seasonality or Cyclicity Factors

The business operations of the Group are generally in the retail sector, which are subject to seasonal variations such as major local festive seasons, school holidays and carnival sales.

5. Unusual Items

There was no item, which is unusual because of their nature, size or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group in the quarterly financial statements under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018

6. Material Changes in Estimates

There were no changes in estimates of amounts that have had a material effect in the quarterly financial statements under review.

7. Dividends Paid

An interim dividend of 2.0 sen per ordinary share comprising of 2.0 sen per ordinary share single-tier tax exempt dividend amounting to RM3,198,300 in respect of the financial year ended 30 June 2017 was paid on 28th July 2017 to Depositors whose names are registered in the Record of Depositors on 11th July 2017.

A final dividend of 3.0 sen per ordinary share comprising of 3.0 sen per ordinary share single-tier dividend amounting to RM4,797,450 in respect of the financial year ended 30 June 2017 was paid on 18 January 2018 to Depositors whose names are registered in the Record of Depositors on 22 December 2017.

8. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the audited financial statements for the financial quarter ended 31 March 2018.

9. Debt and Equity Securities

There were no changes in the debt and equity securities for the current quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018

10. Segmental Reporting

Segmental information for the Group by business segment is presented as follows:

Period Ended 31 March 2018	Investment holding RM' 000	Design and manufacturing RM' 000	Retailing RM' 000	Distribution and trading RM' 000	Elimination RM' 000	Consolidated RM' 000
Revenue						
External sales	-	22,166	40,124	93,428	-	155,718
Inter-segment sales	3,791	23,087	1,012	4,036	(31,926)	-
Total revenue	3,791	45,253	41,136	97,464	(31,926)	155,718

Results						
Profit before tax	3,834	5,828	5,210	13,891	(3,032)	25,731
Tax expense						(6,255)
Profit after tax						19,476
Attributable to :						
Owners of the parent						19,476
Non-controlling interests						-
						19,476

Period Ended 31 March 2017	Investment holding RM' 000	Design and manufacturing RM' 000	Retailing RM' 000	Distribution and trading RM' 000	Elimination RM' 000	Consolidated RM' 000
Revenue						
External sales	-	26,394	33,249	82,835	-	142,478
Inter-segment sales	3,748	21,142	443	2,770	(28,103)	-
Total revenue	3,748	47,536	33,692	85,605	(28,103)	142,478

Results						
Profit before tax	3,709	8,091	3,285	12,709	(2,931)	24,863
Tax expense						(6,442)
Profit after tax						18,421
Attributable to :						
Owners of the parent						18,421
Non-controlling interests						-
						18,421

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018

11. Changes in Composition of the Group

There were no changes in the composition of the Group in this current quarter under review.

12. Contingent Liabilities

Save as disclosed below, the Group does not have any contingent liabilities since the last audited financial statements for the financial quarter ended 31 March 2018:

	As at 31.03.2018 RM'000	As at 30.06.2017 RM'000
Bank guarantees	<u>607</u>	<u>709</u>

13. Related Party Transactions

The Company entered into the following transaction with related parties during the quarter under review:

	Current Year Quarter 31.03.2018 RM'000	Current Year-To-date 31.03.2018 RM'000
a) Transaction with Yoon Fah Realty Sdn Bhd in which certain directors of the Company have substantial interest:		
- Rental of premises	<u>11</u>	<u>103</u>

14. Material Events Subsequent to the End of the Current Financial Quarter

There are no material events subsequent to the end of the period that have not been reflected in the financial statements for the quarter ended.

15. Capital Commitment

There are no material capital commitments as at the date of this report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

1. Review of Performance of the Group

For the current quarter under review, the Group recorded revenue and profit before tax of RM54.68 million and RM11.35 million respectively, revenue increased by RM8.34 million or 18.0% and profit before tax increased by RM1.87 million or 19.7% as compared to previous year corresponding quarter revenue and profit before tax of RM46.34 million and RM9.48 million respectively.

For the 9 months ended 31 March 2018, the Group recorded revenue and profit before tax of RM155.72 million and RM25.73 million respectively, representing RM13.24 million or 9.3% increase in revenue and RM0.87 million or 3.5% increase in profit before tax as compared to previous year corresponding period revenue and profit before tax of RM142.48 million and RM24.86 million respectively.

The higher sales were mainly attributed by the newly opened Home's Harmony Retail Shops and higher consignment sales. The higher profit before tax in current quarter was mainly due to higher sales.

2. Material Changes in the Quarterly Results as Compared to the Results of the Immediate Preceding Quarter

The Group posted revenue of RM54.68 million for the current quarter under review, an increase of RM2.84 million or 5.5% compared to RM51.84 million in the immediate preceding quarter ended 31 December 2017 was mainly due to higher consignment and boutique retail sales.

The Group's current quarter profit before tax increased by RM2.58 million or 29.4% to RM11.35 million as compared to RM8.77 million in the immediate preceding quarter was mainly due to higher sales and lower operating costs.

3. Prospects for the Current Financial Year

The recovery in the global financial crisis is still uncertain and the local retail market will remain challenging and competitive in moving forward. However, with the Group's underlying fundamental strength of efficient business operations, financial stability and wide distribution network, the Board expects a satisfactory growth in the financial performance of the Group for the coming financial year ending 30 June 2018 with plans and strategies already in place to weather these challenging times.

4. Profit Forecast or Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the current financial quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018

5. Taxation

The tax expense charged for the current financial quarter and current financial year to-date under review includes the following:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2018 RM'000	Preceding Year Corresponding Quarter 31.03.2017 RM,000	Current Year-To-Date 31.03.2018 RM'000	Preceding Year Corresponding Period 31.03.2017 RM'000
Current taxation	2,870	2,309	7,047	5,986
Deferred taxation	(25)	(44)	(881)	245
Prior year tax expense	56	211	89	211
	<u>2,901</u>	<u>2,476</u>	<u>6,255</u>	<u>6,442</u>

The tax expense for the Group reflects an effective tax rate of approximately 24.3%, which is higher than the statutory tax rate of 24% was mainly due to non-taxable expenses.

6. Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investments and/or properties held by the Group for the current quarter and financial year to-date under review.

7. Purchase and/or Disposal of Quoted Securities

There was no purchase or disposal of quoted securities by the Group during the current quarter and financial year to-date under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2018

8. Status of Corporate Proposals

There were no corporate proposals announced during the current quarter under review.

9. Group Borrowings and Debt Securities

The Group's total borrowings and debts securities as at 31 March 2018 are as follows:

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total RM'000
Secured			
Bankers' acceptances	16,070	-	16,070
Term loan	1,236	1,155	2,391
	17,306	1,155	18,461

10. Derivative Financial Instruments

As at 31 March 2018, the Group has no outstanding derivative financial instruments.

11. Changes in Material Litigation

There are no material litigation during the current period under review.

12. Dividends

The Board of Directors has declared an interim dividend of 2.0 sen per ordinary share comprising of 2.0 sen per ordinary share single-tier tax exempt dividend amounting to RM3,198,300 in respect of the financial year ending 30 June 2018.

The interim dividend will be paid on 26th July 2018 to Depositors whose names are registered in the Record of Depositors on 9th July 2018.

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13. Earning Per Share

a) Basic

The basic earnings per share has been calculated by dividing the Company's profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue excluding treasury shares during the current financial quarter and financial year to-date under review.

	Current Year Quarter 31.03.2018	Preceding Year Corresponding Quarter 31.03.2017	Current Year-To-Date 31.03.2018	Preceding Year Corresponding Period 31.03.2017
Profit attributable to owners of the parent (RM'000)	8,451	7,001	19,476	18,421
Total number of weighted average ordinary shares in issue ('000)	159,915	159,915	159,915	159,915
Basic earnings per share (sen)	5.28	4.38	12.18	11.52

b) Diluted

The Company does not have any convertible share or convertible financial instruments for the current quarter and financial year to-date under review.

14. Authorisation

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board on 24 May 2018.