

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 2012 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 2012.

2. Summary of significant accounting policies

a) Changes in accounting policies

The adoption of Malaysian Financial Reporting Standard (“MFRS”) that will also comply with International Financial Reporting Standard (“IFRS”) by the Group effective from 1 July 2012 have no material impact on the financial statements. Significant accounting policies adopted are consistent with the audited financial statements for the financial year ended 30 June 2012.

MFRS, Amendments to MFRSs and IC Interpretations

The following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

MFRS 9 Financial Instruments
MFRS 10 Consolidated Financial Statements
MFRS 11 Joint Arrangements
MFRS 12 Disclosure of Interests In Other Entities
MFRS 13 Fair Value Measurement
MFRS 119 (Revised) Employee Benefits
MFRS 127 (2011) Separate Financial Statements
MFRS 128 (2011) Investments in Associates and Joint Ventures
Amendments to MFRS 1 (Revised) : Government Loans
Amendments to MFRS 7 : Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 9 : Mandatory Effective Date of MFRS 9 and Transition Disclosures
Amendments to MFRS 10, MFRS 11 and MFRS 12 : Transition Guidance
Amendments to MFRS 132 : Offsetting Financial Assets and Financial Liabilities
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
Annual Improvement 2012

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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 2012 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.

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

No dividend was paid during the current quarter under review.

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 year ended 30 June 2012.

9. Debt and Equity Securities

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

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10. Segmental Reporting

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

Period Ended 30 September 2012	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	-	6,550	6,528	28,875	-	41,953
Inter-segment sales	112	9,884	19	2,884	(12,899)	-
Total revenue	112	16,434	6,547	31,759	(12,899)	41,953
Results						
Profit before tax	188	1,464	442	5,554	(666)	6,982
Tax expense						(1,900)
Profit after tax						5,082
Attributable to :						
Owners of the parent						5,082
Non-controlling interests						-
						5,082

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Period Ended 30 September 2011	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	-	7,121	5,481	23,478	-	36,080
Inter-segment sales	2,620	7,187	-	3,666	(13,473)	-
Total revenue	2,620	14,308	5,481	27,144	(13,473)	36,080
Results						
Profit before tax	2,562	1,943	280	4,567	(2,748)	6,604
Tax expense						(1,653)
Profit after tax						4,951
Attributable to :						
Owners of the parent						4,951
Non-controlling interests						-
						4,951

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 year ended 30 September 2012:

	As at 30.09.2012 RM'000	As at 30.06.2012 RM'000
Bank guarantees	670	799

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13. Related Party Transactions

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

	Current Year Quarter 30.09.2012 RM'000	Current Year-To-date 30.09.2012 RM'000
a) Transaction with Yoon Fah Realty Sdn Bhd in which certain directors of the Company have substantial interest:		
- Rental of premises	92	92
b) Transaction with The Store Corporation Bhd in which a director of the Company is also a director of The Store Corporation Bhd		
- Supply of home linen products	1,465	1,465
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14. Material Events Subsequent to the End of the Current Financial Quarter

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

15. Capital Commitment

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

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 RM41.95 million and RM6.98 million respectively, representing RM5.87 million or 16.3% increase in revenue and RM0.38 million or 5.7% increased in profit before tax as compared to previous year corresponding quarter revenue and profit before tax of RM36.08 million and RM6.60 million respectively.

Higher sales were mainly contributed by higher consignment and boutique sales, due to Hari Raya festive season. The higher profit before tax was mainly due to higher sales generated.

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

The Group posted revenue of RM41.95 million for the current quarter under review, an increased of RM3.36 million or 8.7% compared to RM38.59 million in the immediate preceding quarter ended 30 June 2012. Higher revenue in the current quarter was contributed by consignment and boutique sales.

The Group's current quarter profit before tax increased by RM2.69 million or 62.7% to RM6.98 million as compared to RM4.29 million in the immediate preceding quarter was mainly due to higher sales and operation efficiency in current quarter.

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 2013 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.

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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 30.09.2012 RM'000	Preceding Year Corresponding Quarter 30.09.2011 RM,000	Current Year-To-Date 30.09.2012 RM'000	Preceding Year Corresponding Period 30.09.2011 RM'000
Current taxation	1,980	1,667	1,980	1,667
Deferred taxation	(80)	(14)	(80)	(14)
	<u>1,900</u>	<u>1,653</u>	<u>1,900</u>	<u>1,653</u>

The tax expense for the Group reflects an effective tax rate of approximately 27.2%, which is higher than the statutory tax rate of 25% due to certain tax not allowable 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.

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8. Status of Corporate Proposals

There were no corporate proposals announced during the current quarter under review except as disclosed below :-

(a) Utilisation of Initial Public Offering (“IPO”) proceeds

The Group revised the utilisation of the IPO proceeds vide an announcement on 24 February 2012. As at 23 November 2012, the status of the revised utilisation of the proceeds is as follows:-

Details of the proposed utilisation of proceeds	Revised utilisation RM'000	Utilised to date RM'000	Balance to be utilised RM'000	Intended timeframe for utilisation from the date of Listing
Repayment of bank borrowing	9,000	(9,000)	-	Within 6 months
Local and overseas expansion	1,000	(1,000)	-	Within 24 months
Finance the construction costs of a new warehouse on an existing piece of land owned by the Group	5,000	(4,754)	246	Within 36 months
Working capital	4,656	(4,656)	-	Within 24 months
Defray listing expenses	2,494	(2,494)	-	Within 6 months
Total	22,150	(21,904)	246	

9. Group Borrowings and Debt Securities

The Group's total borrowings and debts securities as at 30 September 2012 are as follows:

	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Total RM'000
Secured			
Bankers' acceptances	24,073	-	24,073

10. Financial Instruments

As at 30 September 2012, the Group has no outstanding financial instruments.

11. Changes in Material Litigation

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

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12. Dividends

The Board proposed a final dividend of 1.5 sen per ordinary share comprising of 1.5 sen per ordinary share single-tier tax exempt dividend amounting to RM2,400,000 in respect of the financial year ended 30 June 2012. The proposed final dividend will be presented for shareholders' approval at the forthcoming Annual General Meeting. Subject to shareholders' approval, the proposed final dividend will be payable on 25 January 2013 to Depositors whose names are registered in the Record of Depositors on 9 January 2013.

13. Earning Per Share

(a) Basic

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

	Current Year Quarter 30.09.2012	Preceding Year Corresponding Quarter 30.09.2011	Current Year-To-Date 30.09.2012	Preceding Year Corresponding Period 30.09.2011
Profit attributable to owners of the parent (RM'000)	5,082	4,951	5,082	4,951
Weighted average number of ordinary shares in issue ('000) **	160,000	160,000	160,000	160,000
Basic earnings per share (sen)	3.18	3.09	3.18	3.09

** The bonus issue was completed on 19 October 2011. In capitalising the bonus issue, ordinary shares were issued to existing shareholders for no additional consideration.

(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.

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14. Realised and Unrealised Profits / Losses

Pursuant to Bursa Malaysia Securities Berhad disclosure of realised and unrealised profits / losses, the Group realised and unrealised profits / (losses) as at 30 September 2012 were as follows:-

	As At 30.09.2012 RM'000	As At 30.06.2012 RM'000
Total retained profits / (losses) of the Company and its subsidiaries :		
-Realised	99,353	93,516
-Unrealised	(483)	(314)
	<u>98,870</u>	<u>93,202</u>
Less: consolidated adjustments	(15,174)	(14,588)
Total consolidated retained profits	<u>83,696</u>	<u>78,614</u>

15. Authorisation

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board on 29 November 2012.