

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2013

**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**

The final dividend 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 was paid on 25 January 2013 to the Depositors whose names are registered in the Record of Depositors on 9 January 2013.

**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 31 March 2013	Investment holding RM' 000	Design and manufacturing RM' 000	Retailing RM' 000	Distribution and trading RM' 000	Elimination RM' 000	Consolidated RM' 000
<b>Revenue</b>						
External sales	-	22,200	21,088	94,718		138,006
Inter-segment sales	4,526	27,758	69	8,798	(41,151)	-
Total revenue	4,526	49,958	21,157	103,516	(41,151)	138,006
<b>Results</b>						
Profit before tax	4,604	3,918	2,396	16,025	(4,758)	22,185
Tax expense						(5,842)
Profit after tax						16,343
Attributable to :						
Owners of the parent						16,343
Non-controlling interests						-
						16,343

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Period Ended 31 March 2012	Investment holding RM' 000	Design and manufacturing RM' 000	Retailing RM' 000	Distribution and trading RM' 000	Elimination RM' 000	Consolidated RM' 000
<b>Revenue</b>						
External sales	-	21,852	17,043	76,432	-	115,327
Inter-segment sales	9,323	24,200	2	10,692	(44,217)	-
Total revenue	9,323	46,052	17,045	87,124	(44,217)	115,327
<b>Results</b>						
Profit before tax	9,217	4,713	824	14,340	(9,906)	19,188
Tax expense						(4,977)
Profit after tax						14,211
Attributable to :						
Owners of the parent						14,211
Non-controlling interests						-
						14,211

### 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 31 March 2013 :

	As at 31.03.2013 RM'000	As at 30.06.2012 RM'000
Bank guarantees	697	799

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**13. Related Party Transactions**

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

	<b>Current Year Quarter 31.03.2013 RM'000</b>	<b>Current Year-To-date 31.03.2013 RM'000</b>
a) Transaction with Yoon Fah Realty Sdn Bhd in which certain directors of the Company have substantial interest:		
- Rental of premises	92	277
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	1,438	4,613
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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 RM45.91 million and RM7.58 million respectively, representing RM7.91 million or 20.8% increase in revenue and RM1.75 million or 30.0% increased in profit before tax as compared to previous year corresponding quarter revenue and profit before tax of RM38.00 million and RM5.83 million respectively.

Higher sales were mainly contributed by higher consignment and boutique sales. The higher profit before tax was attributable to higher sales generated.

For the 9 months ended 31 March 2013, the Group recorded revenue and profit before tax of RM138.01 million and RM22.19 million respectively, representing RM22.68 million or 19.7% increased in revenue and RM3.00 million or 15.6% increased in profit before tax as compared to previous year corresponding period revenue and profit before tax of RM115.33 million and RM19.19 million respectively.

The sales growth for the 9 months ended 31 March 2013 was mainly contributed by higher consignment and boutiques sales. The higher profit before tax was attributed by 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 RM45.91 million for the current quarter under review, a decreased of RM4.23 million or 8.4% compared to RM50.14 million in the immediate preceding quarter ended 31 December 2012. Higher revenue in the preceding quarter was contributed by year end mega and festive sales.

The Group's current quarter profit before tax decreased by RM0.04 million or 0.5% to RM7.58 million as compared to RM7.62 million in the immediate preceding quarter was mainly due to higher sales generated in immediate preceding 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 31.03.2013 RM'000	Preceding Year Corresponding Quarter 31.03.2012 RM,000	Current Year-To-Date 31.03.2013 RM'000	Preceding Year Corresponding Period 31.03.2012 RM'000
Current taxation	1,759	1,572	5,698	5,033
Under provision in prior year	28	110	30	110
Deferred taxation	178	(128)	114	(166)
	<u>1,965</u>	<u>1,554</u>	<u>5,842</u>	<u>4,977</u>

The tax expense for the Group reflects an effective tax rate of approximately 26.3%, 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.

**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 2013 are as follows:

	Short Term Borrowing RM'000	Long Term Borrowing RM'000	Total RM'000
<b>Secured</b>			
Bankers' acceptances	15,128	-	15,128

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**10. Financial Instruments**

As at 31 March 2013, the Group has no outstanding financial instruments.

**11. Changes in Material Litigation**

There are no material litigation during the current quarter 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 RM3,200,000 in respect of the financial year ending 30 June 2013.

The interim dividend will be paid on 29 July 2013 to Depositors whose names are registered in the Record of Depositors on 10 July 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.

	<b>Current Year Quarter 31.03.2013</b>	<b>Preceding Year Corresponding Quarter 31.03.2012</b>	<b>Current Year-To-Date 31.03.2013</b>	<b>Preceding Year Corresponding Period 31.03.2012</b>
Profit attributable to owners of the parent (RM'000)	5,619	4,272	16,343	14,211
Weighted average number of ordinary shares in issue ('000)	160,000	160,000	160,000	160,000
Basic earnings per share (sen)	3.51	2.67	10.21	8.88

(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 31 March 2013 were as follows:-

	<b>As At 31.03.2013 RM'000</b>	<b>As At 30.06.2012 RM'000</b>
Total retained profits / (losses) of the Company and its subsidiaries :		
-Realised	108,324	93,516
-Unrealised	(496)	(314)
	<u>107,828</u>	<u>93,202</u>
Less: consolidated adjustments	(15,271)	(14,588)
Total consolidated retained profits	<u>92,557</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 May 2013.