

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.16 RM'000	Preceding Year Corresponding Quarter 31.12.15 RM'000	Current Year-To-Date 31.12.16 RM'000	Preceding Year Corresponding Period 31.12.15 RM'000
Revenue	50,881	51,342	96,140	93,641
Operating expenses	(43,144)	(43,721)	(82,492)	(83,048)
Other operating income	1,235	437	2,130	3,661
Operating profit	8,972	8,058	15,778	14,254
Finance costs	(137)	(248)	(393)	(398)
Profit before taxation	8,835	7,810	15,385	13,856
Tax expense	(2,272)	(2,202)	(3,965)	(3,459)
Profit after taxation	6,563	5,608	11,420	10,397
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	6,563	5,608	11,420	10,397
Profit after taxation attributable to:				
Owners of the parent	6,563	5,608	11,420	10,397
Non-controlling interests	-	-	-	-
	6,563	5,608	11,420	10,397
Total comprehensive income attributable to:				
Owners of the parent	6,563	5,608	11,420	10,397
Non-controlling interests	-	-	-	-
	6,563	5,608	11,420	10,397
Earnings per share attributable to owners of the parent :				
- Basic (sen)	4.10	3.51	7.14	6.50
- 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 2016 and the accompanying explanatory notes attached to this interim financial statements.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As At 31.12.16 RM'000	Audited As At 30.06.16 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	51,133	51,530
Intangible assets	461	461
Total non-current assets	51,594	51,991
CURRENT ASSETS		
Inventories	74,079	76,479
Trade and other receivables	57,541	46,279
Tax refundable	807	513
Short term investment	25,715	31,107
Deposits, cash and bank balances	14,953	15,153
Total current assets	173,095	169,531
TOTAL ASSETS	224,689	221,522
EQUITY AND LIABILITIES		
Share capital	80,000	80,000
Treasury shares	(70)	(70)
Reserves	107,857	99,635
Total Equity	187,787	179,565
NON-CURRENT LIABILITIES		
Deferred tax liabilities	629	340
Provision	256	225
Bank borrowings	2,679	6,327
Total non-current liabilities	3,564	6,892
CURRENT LIABILITIES		
Trade and other payables	21,112	15,735
Tax liabilities	1,479	418
Bank borrowings	10,747	18,912
Total current liabilities	33,338	35,065
TOTAL LIABILITIES	36,902	41,957
TOTAL EQUITY AND LIABILITIES	224,689	221,522
 NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (SEN)	 117.43	 112.28

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 2016 and the accompanying explanatory notes attached to this interim financial statements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016
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>6 months ended 31 December 2016</u>						
As at 01.07.2016	80,000	(70)	99,635	179,565	-	179,565
Profit after taxation / Total comprehensive income for the period	-	-	11,420	11,420	-	11,420
Dividends paid	-	-	(3,198)	(3,198)	-	(3,198)
As at 31.12.2016	80,000	(70)	107,857	187,787	-	187,787
<u>6 months ended 31 December 2015</u>						
As at 01.07.2015	80,000	(52)	85,134	165,082	-	165,082
Profit after taxation / Total comprehensive income for the period	-	-	10,397	10,397	-	10,397
Dividends paid	-	-	(3,199)	(3,199)	-	(3,199)
As at 31.12.2015	80,000	(52)	92,332	172,280	-	172,280

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 2016 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date 31.12.16 RM'000	Preceding Year Corresponding Period 31.12.15 RM'000
Cash flows from operating activities		
Profit before taxation	15,385	13,856
Adjustments for:		
Non-cash items	1,575	1,862
Operating profit before changes in working capital	16,960	15,718
Changes in working capital		
Decrease/(Increase) in inventories	2,242	(10,320)
Increase in trade and other receivables	(10,738)	(11,291)
Increase/(Decrease) in trade and other payables	5,403	(883)
Cash generated/(used in) from operations	13,867	(6,776)
Net tax paid	(2,910)	(3,864)
Interest paid	(388)	(393)
Net cash generated from/(used in) operating activities	10,569	(11,033)
Cash flows from/(for) investing activities		
Interest received	626	530
Proceed of disposal property, plant and equipment	14	86
Purchase of property, plant and equipment	(1,791)	(7,799)
Net cash used in investing activities	(1,151)	(7,183)
Cash flows for financing activities		
(Repayment)/Drawdown of bank borrowings	(11,812)	22,010
Dividends paid	(3,198)	(3,199)
Net cash (used in)/generated from financing activities	(15,010)	18,811
Net (decrease)/increase in cash and cash equivalents	(5,592)	595
Cash and cash equivalents at beginning of period	46,260	42,014
Cash and cash equivalents at end of period	40,668	42,609
Cash and cash equivalents comprise the following:		
Cash and bank balances	8,846	12,074
Short term investments	25,715	25,546
Deposits with licensed banks	6,107	4,989
Cash and cash equivalents	40,668	42,609

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 2016 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016

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 2016 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 2016.

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 2016.

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 2016 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 DECEMBER 2016

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 2016 was paid on 28 July 2016 to Depositors whose names are registered in the Record of Depositors on 11 July 2016.

A final dividend of 2.0 sen per ordinary share comprising of 2.0 sen per ordinary share single-tier dividend amounting to RM3,198,300 in respect of the financial year ended 30 June 2016 was paid on 18 January 2017 to Depositors whose names are registered in the Record of Depositors on 22 December 2016.

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 December 2016.

9. Debt and Equity Securities

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

10. Segmental Reporting

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

Period Ended	Investment holding	Design and manufacturing	Retailing	Distribution and trading	Elimination	Consolidated
31 December 2016	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
Revenue						
External sales	-	19,177	21,837	55,126	-	96,140
Inter-segment sales	499	12,879	311	1,970	(15,659)	-
Total revenue	499	32,056	22,148	57,096	(15,659)	96,140
Results						
Profit before tax	457	5,356	1,171	8,376	25	15,385
Tax expense						(3,965)
Profit after tax						11,420
Attributable to :						
Owners of the parent						11,420
Non-controlling interests						-
						11,420

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016

Period Ended 31 December 2015	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	-	17,964	19,066	56,611	-	93,641
Inter-segment sales	446	11,026	3,059	2,865	(17,396)	-
Total revenue	446	28,990	22,125	59,476	(17,396)	93,641
Results						
Profit before tax	438	4,562	3,087	6,050	(281)	13,856
Tax expense						(3,459)
Profit after tax						10,397
Attributable to :						
Owners of the parent						10,397
Non-controlling interests						-
						10,397

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 December 2016:

	As at 31.12.2016 RM'000	As at 30.06.2016 RM'000
Bank guarantees	731	884

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016

13. Related Party Transactions

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

	Current Year Quarter 31.12.2016 RM'000	Current Year-To-date 31.12.2016 RM'000
a) Transaction with Yoon Fah Realty Sdn Bhd in which certain directors of the Company have substantial interest:		
- Rental of premises	53	106
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	1,042	1,772
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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 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 DECEMBER 2016

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 RM50.88 million and RM8.84 million respectively, revenue drop slightly by RM0.46 million or 0.9% and profit before tax increased by RM1.03 million or 13.2% as compared to previous year corresponding quarter revenue and profit before tax of RM51.34 million and RM7.81 million respectively.

The lower sales for the current quarter was due to lower consignment sales and the higher profit before tax was due to lower operating cost.

For the 6 months ended 31 December 2016, the Group recorded revenue and profit before tax of RM96.14 million and RM15.39 million respectively, representing RM2.50 million or 2.7% increase in revenue and RM1.53 million or 11.0% higher in profit before tax as compared to previous year corresponding period revenue and profit before tax of RM93.64 million and RM13.86 million respectively.

The higher sales for the 6 months ended 31 December 2016 was mainly attributed by the Group's newly opened Home's Harmony retails boutique shops in D'Pulze, Damen, Sunway Carnival and Sunway Velocity shopping malls. The higher profit before tax was due to higher sales and lower operating expenses.

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

The Group posted revenue of RM50.88 million for the current quarter under review, an increase of RM5.62 million or 12.4% compared to RM45.26 million in the immediate preceding quarter ended 30 September 2016 was mainly due to year-end festive season sales and sales from its newly opened Home's Harmony retails boutique shops.

The Group's current quarter profit before tax increased by RM2.29 million or 35.0% to RM8.84 million as compared to RM6.55 million in the immediate preceding quarter was in correspondence with 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 2017 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 DECEMBER 2016

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 31.12.2016 RM'000	Preceding Year Corresponding Quarter 31.12.2015 RM,000	Current Year-To-Date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
Current taxation	2,283	2,330	3,677	3,590
Deferred taxation	(11)	(128)	288	(131)
	<u>2,272</u>	<u>2,202</u>	<u>3,965</u>	<u>3,459</u>

The tax expense for the Group reflects an effective tax rate of approximately 25.8%, 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 DECEMBER 2016

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 December 2016 are as follows:

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total RM'000
Secured			
Bankers' acceptances	9,648	-	9,648
Term loan	1,099	2,679	3,778
	<u>10,747</u>	<u>2,679</u>	<u>13,426</u>

10. Financial Instruments

As at 31 December 2016, the Group has no outstanding financial instruments.

11. Changes in Material Litigation

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

12. Dividends

The Board does not recommend any interim dividend for the current quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2016

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 31.12.2016	Preceding Year Corresponding Quarter 31.12.2015	Current Year-To-Date 31.12.2016	Preceding Year Corresponding Period 31.12.2015
Profit attributable to owners of the parent (RM'000)	6,563	5,608	11,420	10,397
Total number of weighted average ordinary shares in issue ('000)	159,915	159,935	159,915	159,935
Basic earnings per share (sen)	4.10	3.51	7.14	6.50

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. 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 December 2016 were as follows:-

	As At 31.12.2016 RM'000	As At 30.06.2016 RM'000
Total retained profits / (losses) of the Company and its subsidiaries :		
-Realised	98,083	91,037
-Unrealised	11,008	9,851
	<u>109,091</u>	<u>100,888</u>
Less: consolidated adjustments	(1,234)	(1,253)
Total consolidated retained profits	<u><u>107,857</u></u>	<u><u>99,635</u></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 23 February 2017.