

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Individual Quarter | | Cumulative Quarter | |
|---|---|--|---|---|
| | Current Year Quarter 31.03.17 RM'000 | Preceding Year Corresponding Quarter 31.03.16 RM'000 | Current Year-To-Date 31.03.17 RM'000 | Preceding Year Corresponding Period 31.03.16 RM'000 |
| Revenue | 46,338 | 52,428 | 142,478 | 146,069 |
| Operating expenses | (37,519) | (43,801) | (120,011) | (125,752) |
| Other operating income | 784 | (64) | 2,915 | 2,500 |
| Operating profit | 9,603 | 8,563 | 25,382 | 22,817 |
| Finance costs | (126) | (376) | (519) | (775) |
| Profit before taxation | 9,477 | 8,187 | 24,863 | 22,042 |
| Tax expense | (2,476) | (2,510) | (6,442) | (5,968) |
| Profit after taxation | 7,001 | 5,677 | 18,421 | 16,074 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | 7,001 | 5,677 | 18,421 | 16,074 |
| Profit after taxation attributable to: | | | | |
| Owners of the parent | 7,001 | 5,677 | 18,421 | 16,074 |
| Non-controlling interests | - | - | - | - |
| | 7,001 | 5,677 | 18,421 | 16,074 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | 7,001 | 5,677 | 18,421 | 16,074 |
| Non-controlling interests | - | - | - | - |
| | 7,001 | 5,677 | 18,421 | 16,074 |
| Earnings per share attributable to owners of the parent : | | | | |
| - Basic (sen) | 4.38 | 3.55 | 11.52 | 10.05 |
| - 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 MARCH 2017
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

| | Unaudited As At 31.03.17 RM'000 | Audited As At 30.06.16 RM'000 |
|---|--|--|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 50,380 | 51,530 |
| Intangible assets | 461 | 461 |
| Total non-current assets | 50,841 | 51,991 |
| CURRENT ASSETS | | |
| Inventories | 72,379 | 76,479 |
| Trade and other receivables | 49,551 | 46,279 |
| Tax refundable | 611 | 513 |
| Short term investment | 31,976 | 31,107 |
| Deposits, cash and bank balances | 12,633 | 15,153 |
| Total current assets | 167,150 | 169,531 |
| TOTAL ASSETS | 217,991 | 221,522 |
| EQUITY AND LIABILITIES | | |
| Share capital | 80,000 | 80,000 |
| Treasury shares | (70) | (70) |
| Reserves | 114,858 | 99,635 |
| Total Equity | 194,788 | 179,565 |
| NON-CURRENT LIABILITIES | | |
| Deferred tax liabilities | 585 | 340 |
| Provision | 259 | 225 |
| Bank borrowings | 2,396 | 6,327 |
| Total non-current liabilities | 3,240 | 6,892 |
| CURRENT LIABILITIES | | |
| Trade and other payables | 11,860 | 15,735 |
| Tax liabilities | 1,163 | 418 |
| Bank borrowings | 6,940 | 18,912 |
| Total current liabilities | 19,963 | 35,065 |
| TOTAL LIABILITIES | 23,203 | 41,957 |
| TOTAL EQUITY AND LIABILITIES | 217,991 | 221,522 |
| NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (SEN) | 121.81 | 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 MARCH 2017
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 |
|--|--------------------------------------|-----------------------------|-------------------------------|---------------------|--|---------------------------|
| | Distributable | | Retained Profits RM'000 | | | |
| | Share Capital RM'000 | Treasury Share RM'000 | | | | |
| 9 months ended 31 March 2017 | | | | | | |
| 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 |
| 9 months ended 31 March 2016 | | | | | | |
| As at 01.07.2015 | 80,000 | (52) | 85,134 | 165,082 | - | 165,082 |
| Share buy back | - | (18) | - | (18) | - | (18) |
| Profit after taxation / Total comprehensive income for the period | - | - | 16,074 | 16,074 | - | 16,074 |
| Dividends paid | - | - | (3,199) | (3,199) | - | (3,199) |
| As at 31.03.2016 | 80,000 | (70) | 98,009 | 177,939 | - | 177,939 |

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 MARCH 2017
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

| | Current Year-To-Date 31.03.17 RM'000 | Preceding Year Corresponding Period 31.03.16 RM'000 |
|--|---|--|
| Cash flows from operating activities | | |
| Profit before taxation | 24,863 | 22,042 |
| Adjustments for: | | |
| Non-cash items | 2,206 | 5,120 |
| Operating profit before changes in working capital | 27,069 | 27,162 |
| Changes in working capital | | |
| Decrease/(Increase) in inventories | 3,860 | (11,892) |
| Increase in trade and other receivables | (2,556) | (12,083) |
| Decrease in trade and other payables | (650) | (2,552) |
| Cash generated from operations | 27,723 | 635 |
| Net tax paid | (5,550) | (5,931) |
| Interest paid | (511) | (837) |
| Net cash generated from/(used in) operating activities | 21,662 | (6,133) |
| Cash flows from/(for) investing activities | | |
| Interest received | 925 | 817 |
| Proceed of disposal property, plant and equipment | 14 | 98 |
| Purchase of property, plant and equipment | (1,953) | (10,622) |
| Net cash used in investing activities | (1,014) | (9,707) |
| Cash flows for financing activities | | |
| (Repayment)/Drawdown of bank borrowings | (15,902) | 21,106 |
| Share buy back | - | (18) |
| Dividends paid | (6,397) | (6,397) |
| Net cash (used in)/generated from financing activities | (22,299) | 14,691 |
| Net decrease in cash and cash equivalents | (1,651) | (1,149) |
| Cash and cash equivalents at beginning of period | 46,260 | 42,014 |
| Cash and cash equivalents at end of period | 44,609 | 40,865 |
| Cash and cash equivalents comprise the following: | | |
| Cash and bank balances | 8,833 | 14,431 |
| Short term investments | 31,976 | 23,674 |
| Deposits with licensed banks | 3,800 | 2,760 |
| Cash and cash equivalents | 44,609 | 40,865 |

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 MARCH 2017

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 MARCH 2017

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 March 2017.

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 March 2017 | RM' 000 | RM' 000 | RM' 000 | RM' 000 | RM' 000 | 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 2017

| Period Ended 31 March 2016 | 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 | - | 28,177 | 28,907 | 88,985 | - | 146,069 |
| Inter-segment sales | 3,169 | 19,033 | 3,359 | 4,159 | (29,720) | - |
| Total revenue | 3,169 | 47,210 | 32,266 | 93,144 | (29,720) | 146,069 |
| Results | | | | | | |
| Profit before tax | 3,143 | 6,596 | 3,800 | 11,324 | (2,821) | 22,042 |
| Tax expense | | | | | | (5,968) |
| Profit after tax | | | | | | 16,074 |
| Attributable to : | | | | | | |
| Owners of the parent | | | | | | 16,074 |
| Non-controlling interests | | | | | | - |
| | | | | | | 16,074 |

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 2017:

| | As at 31.03.2017 RM'000 | As at 30.06.2016 RM'000 |
|-----------------|--|--|
| Bank guarantees | 715 | 884 |

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

13. Related Party Transactions

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

| | Current Year Quarter 31.03.2017 RM'000 | Current Year-To-date 31.03.2017 RM'000 |
|--|---|---|
| a) Transaction with Yoon Fah Realty Sdn Bhd in which certain directors of the Company have substantial interest: | | |
| - Rental of premises | 53 | 159 |
| | <hr/> <hr/> | <hr/> <hr/> |

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 2017

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 RM46.34 million and RM9.48 million respectively, revenue drop by RM6.09 million or 11.6% and profit before tax increased by RM1.29 million or 15.8% as compared to previous year corresponding quarter revenue and profit before tax of RM52.43 million and RM8.19 million respectively.

The lower sales for the current quarter was due to lower consignment and export sales and the higher profit before tax was due to higher foreign exchange gain, lower operating cost and lower provision for certain expenses.

For the 9 months ended 31 March 2017, the Group recorded revenue and profit before tax of RM142.48 million and RM24.86 million respectively, representing RM3.59 million or 2.5% drop in revenue and RM2.82 million or 12.8% higher in profit before tax as compared to previous year corresponding period revenue and profit before tax of RM146.07 million and RM22.04 million respectively.

The lower sales for the 9 months ended 31 March 2017 was mainly due to lower consignment and export sales. The higher profit before tax was due to lower operating expenses and lower provision for certain expenses.

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

The Group posted revenue of RM46.34 million for the current quarter under review, a drop of RM4.54 million or 8.9% compared to RM50.88 million in the immediate preceding quarter ended 31 December 2016 was due to year-end festive season sales and higher export sales in immediate preceding quarter.

The Group's current quarter profit before tax increased by RM0.64 million or 7.2% to RM9.48 million as compared to RM8.84 million in the immediate preceding quarter was due to 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 MARCH 2017

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 31.03.2017 RM'000 | Preceding Year Corresponding Quarter 31.03.2016 RM,000 | Current Year-To-Date 31.03.2017 RM'000 | Preceding Year Corresponding Period 31.03.2016 RM'000 |
| Current taxation | 2,309 | 2,639 | 5,986 | 6,228 |
| Under provision in prior year | 211 | (4) | 211 | (4) |
| Deferred taxation | (44) | (125) | 245 | (256) |
| | <u>2,476</u> | <u>2,510</u> | <u>6,442</u> | <u>5,968</u> |

The tax expense for the Group reflects an effective tax rate of approximately 25.9%, 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 2017

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 2017 are as follows:

| | Short Term Borrowings RM'000 | Long Term Borrowings RM'000 | Total RM'000 |
|----------------------|---|--|-------------------------|
| Secured | | | |
| Bankers' acceptances | 5,830 | - | 5,830 |
| Term loan | 1,110 | 2,396 | 3,506 |
| | <u>6,940</u> | <u>2,396</u> | <u>9,336</u> |

10. Financial Instruments

As at 31 March 2017, 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 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 2017.

The interim dividend will be paid on 28th July 2017 to Depositors whose names are registered in the Record of Depositors on 11th July 2017.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2017

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 31.03.2017 | Preceding Year Corresponding Quarter 31.03.2016 | Current Year-To-Date 31.03.2017 | Preceding Year Corresponding Period 31.03.2016 |
|--|--|--|--|---|
| Profit attributable to owners of the parent (RM'000) | 7,001 | 5,677 | 18,421 | 16,074 |
| Total number of weighted average ordinary shares in issue ('000) | 159,915 | 159,922 | 159,915 | 159,931 |
| Basic earnings per share (sen) | 4.38 | 3.55 | 11.52 | 10.05 |

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 March 2017 were as follows:-

| | As At 31.03.2017 RM'000 | As At 30.06.2016 RM'000 |
|---|--|--|
| Total retained profits / (losses) of the Company and its subsidiaries : | | |
| -Realised | 105,287 | 91,037 |
| -Unrealised | 10,772 | 9,851 |
| | <u>116,059</u> | <u>100,888</u> |
| Less: consolidated adjustments | (1,201) | (1,253) |
| Total consolidated retained profits | <u><u>114,858</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 25 May 2017.