

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.17 RM'000	Preceding Year Corresponding Quarter 30.06.16 RM'000	Current Year-To-Date 30.06.17 RM'000	Preceding Year Corresponding Period 30.06.16 RM'000
Revenue	46,110	45,060	188,588	191,129
Operating expenses	(41,161)	(40,039)	(161,172)	(166,889)
Other operating income	570	582	3,485	4,180
Operating profit	5,519	5,603	30,901	28,420
Finance costs	(116)	(333)	(634)	(1,108)
Profit before taxation	5,403	5,270	30,267	27,312
Tax expense	(1,078)	(447)	(7,520)	(6,414)
Profit after taxation	4,325	4,823	22,747	20,898
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	4,325	4,823	22,747	20,898
Profit after taxation attributable to:				
Owners of the parent	4,325	4,823	22,747	20,898
Non-controlling interests	-	-	-	-
	4,325	4,823	22,747	20,898
Total comprehensive income attributable to:				
Owners of the parent	4,325	4,823	22,747	20,898
Non-controlling interests	-	-	-	-
	4,325	4,823	22,747	20,898
Earnings per share attributable to owners of the parent :				
- Basic (sen)	2.70	3.02	14.22	13.07
- 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 FINANCIAL YEAR ENDED 30 JUNE 2017
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As At 30.06.17 RM'000	Audited As At 30.06.16 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	49,593	51,530
Intangible assets	461	461
Total non-current assets	50,054	51,991
CURRENT ASSETS		
Inventories	84,576	76,479
Trade and other receivables	55,079	46,279
Tax refundable	727	513
Short term investment	27,910	31,107
Deposits, cash and bank balances	10,375	15,153
Total current assets	178,667	169,531
TOTAL ASSETS	228,721	221,522
EQUITY AND LIABILITIES		
Share capital	80,000	80,000
Treasury shares	(70)	(70)
Reserves	115,985	99,635
Total Equity	195,915	179,565
NON-CURRENT LIABILITIES		
Deferred tax liabilities	46	340
Provision	260	225
Bank borrowings	2,108	6,327
Total non-current liabilities	2,414	6,892
CURRENT LIABILITIES		
Trade and other payables	19,357	15,735
Tax liabilities	1,025	418
Bank borrowings	10,010	18,912
Total current liabilities	30,392	35,065
TOTAL LIABILITIES	32,806	41,957
TOTAL EQUITY AND LIABILITIES	228,721	221,522
 NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (SEN)	 122.51	 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 FINANCIAL YEAR ENDED 30 JUNE 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
	Share Capital RM'000	Treasury Share RM'000	Retained Profits RM'000			
<u>12 months ended 30 June 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	-	-	22,747	22,747	-	22,747
Dividends paid	-	-	(6,397)	(6,397)	-	(6,397)
As at 30.06.2017	80,000	(70)	115,985	195,915	-	195,915
<u>12 months ended 30 June 2016</u>						
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	-	-	20,898	20,898	-	20,898
Dividends paid	-	-	(6,397)	(6,397)	-	(6,397)
As at 30.06.2016	80,000	(70)	99,635	179,565	-	179,565

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 FINANCIAL YEAR ENDED 30 JUNE 2017
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date 30.06.17 RM'000	Preceding Year Corresponding Period 30.06.16 RM'000
Cash flows from operating activities		
Profit before taxation	30,267	27,312
Adjustments for:		
Non-cash items	4,382	5,654
Operating profit before changes in working capital	34,649	32,966
Changes in working capital		
Increase in inventories	(9,133)	(15,350)
Increase in trade and other receivables	(8,792)	(1,722)
Increase/(Decrease) in trade and other payables	3,647	(2,875)
Cash generated from operations	20,371	13,019
Net tax paid	(7,422)	(7,365)
Interest paid	(625)	(1,097)
Net cash generated from operating activities	12,324	4,557
Cash flows from/(for) investing activities		
Interest received	1,262	1,116
Proceed of disposal property, plant and equipment	75	97
Purchase of property, plant and equipment	(2,119)	(11,175)
Net cash used in investing activities	(782)	(9,962)
Cash flows for financing activities		
(Repayment)/Drawdown of bank borrowings	(13,120)	16,067
Share buy back	-	(18)
Dividends paid	(6,397)	(6,398)
Net cash (used in)/generated from financing activities	(19,517)	9,651
Net (decrease)/increase in cash and cash equivalents	(7,975)	4,246
Cash and cash equivalents at beginning of period	46,260	42,014
Cash and cash equivalents at end of period	38,285	46,260
Cash and cash equivalents comprise the following:		
Cash and bank balances	5,682	10,407
Short term investments	27,910	31,107
Deposits with licensed banks	4,693	4,746
Cash and cash equivalents	38,285	46,260

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 FINANCIAL YEAR ENDED 30 JUNE 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.

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.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

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.
- 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 was paid on 28th July 2017 to Depositors whose names are registered in the Record of Depositors on 11th July 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 year ended 30 June 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 30 June 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	-	31,680	45,290	111,618	-	188,588
Inter-segment sales	8,497	29,814	1,028	5,469	(44,808)	-
Total revenue	8,497	61,494	46,318	117,087	(44,808)	188,588
Results						
Profit before tax	8,480	8,774	4,306	16,879	(8,172)	30,267
Tax expense						(7,520)
Profit after tax						22,747
Attributable to :						
Owners of the parent						22,747
Non-controlling interests						-
						22,747

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Period Ended 30 June 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	-	32,628	38,694	119,807	-	191,129
Inter-segment sales	6,392	25,213	3,608	5,183	(40,396)	-
Total revenue	6,392	57,841	42,302	124,990	(40,396)	191,129
Results						
Profit before tax	6,370	6,273	3,871	16,309	(5,511)	27,312
Tax expense						(6,414)
Profit after tax						20,898
Attributable to :						
Owners of the parent						20,898
Non-controlling interests						-
						20,898

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 30 June 2017:

	As at 30.06.2017 RM'000	As at 30.06.2016 RM'000
Bank guarantees	709	884

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

13. Related Party Transactions

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

	Current Year Quarter 30.06.2017 RM'000	Current Year-To-date 30.06.2017 RM'000
a) Transaction with Yoon Fah Realty Sdn Bhd in which certain directors of the Company have substantial interest:		
- Rental of premises	53	213
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14. Material Events Subsequent to the End of the Current Financial Year

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

15. Capital Commitment

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 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 RM46.11 million and RM5.40 million respectively, revenue increased by RM1.05 million or 2.3% and profit before tax increased by RM0.13 million or 2.5% as compared to previous year corresponding quarter revenue and profit before tax of RM45.06 million and RM5.27 million respectively.

The slight increase in sales for the current quarter was due to higher retail sales attributed by the newly opened Homes Harmony retail shops and the higher profit before tax was due to higher sales.

For the 12 months ended 30 June 2017, the Group recorded revenue and profit before tax of RM188.59 million and RM30.27 million respectively, representing a slight drop in revenue of RM2.54 million or 1.3% and higher profit before tax of RM2.96 million or 10.8% higher as compared to previous year corresponding period revenue and profit before tax of RM191.13 million and RM27.31 million respectively.

The slight drop in sales for the 12 months ended 30 June 2017 was mainly due to lower export sales. The higher profit before tax was due to lower operating expenses, foreign exchange losses and finance costs.

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

The Group posted revenue of RM46.11 million for the current quarter under review, a drop of RM0.23 million or 0.5% compared to RM46.34 million in the immediate preceding quarter ended 31 March 2017 was due to lower export sales in current quarter.

The Group's current quarter profit before tax drop by RM4.08 million or 43.0% to RM5.40 million as compared to RM9.48 million in the immediate preceding quarter was due to higher promotion expenses, operating costs and provision of certain expenses.

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 FINANCIAL YEAR ENDED 30 JUNE 2017

5. Taxation

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2017 RM'000	Preceding Year Corresponding Quarter 30.06.2016 RM,000	Current Year-To-Date 30.06.2017 RM'000	Preceding Year Corresponding Period 30.06.2016 RM'000
Current taxation	1,617	1,073	7,603	7,300
Under provision in prior year	-	3	211	(1)
Deferred taxation	(539)	(629)	(294)	(885)
	<u>1,078</u>	<u>447</u>	<u>7,520</u>	<u>6,414</u>

The tax expense for the Group reflects an effective tax rate of approximately 24.8%, 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 end 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 end under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 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 30 June 2017 are as follows:

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total RM'000
Secured			
Bankers' acceptances	8,887	-	8,887
Term loan	1,123	2,108	3,231
	10,010	2,108	12,118

10. Derivative Financial Instruments

As at 30 June 2017, 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 proposed a final dividend of 3.0 sen per ordinary share comprising of 3.0 sen per ordinary share single-tier tax exempt dividend amounting to RM4,797,450 in respect of the financial year ended 30 June 2017. 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 a date to be announced later.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 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 end under review.

	Current Year Quarter 30.06.2017	Preceding Year Corresponding Quarter 30.06.2016	Current Year-To-Date 30.06.2017	Preceding Year Corresponding Period 30.06.2016
Profit attributable to owners of the parent (RM'000)	4,325	4,823	22,747	20,898
Total number of weighted average ordinary shares in issue ('000)	159,915	159,915	159,915	159,927
Basic earnings per share (sen)	2.70	3.02	14.22	13.07

b) Diluted

The Company does not have any convertible share or convertible financial instruments for the current quarter and financial year end 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 30 June 2017 were as follows:-

	As At 30.06.2017 RM'000	As At 30.06.2016 RM'000
Total retained profits / (losses) of the Company and its subsidiaries :		
-Realised	107,248	91,037
-Unrealised	10,490	9,851
	<u>117,738</u>	<u>100,888</u>
Less: consolidated adjustments	(1,753)	(1,253)
Total consolidated retained profits	<u>115,985</u>	<u>99,635</u>

15. Authorisation

The financial year end report was authorised for issue by the Board of Directors in accordance with a resolution of the Board on 22 August 2017.