

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.17 RM'000	Preceding Year Corresponding Quarter 30.09.16 RM'000	Current Year-To-Date 30.09.17 RM'000	Preceding Year Corresponding Period 30.09.16 RM'000
Revenue	49,199	45,260	49,199	45,260
Operating expenses	(44,190)	(39,349)	(44,190)	(39,349)
Other operating income	789	895	789	895
Operating profit	5,798	6,806	5,798	6,806
Finance costs	(188)	(256)	(188)	(256)
Profit before taxation	5,610	6,550	5,610	6,550
Tax expense	(1,228)	(1,694)	(1,228)	(1,694)
Profit after taxation	4,382	4,856	4,382	4,856
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	4,382	4,856	4,382	4,856
Profit after taxation attributable to:				
Owners of the parent	4,382	4,856	4,382	4,856
Non-controlling interests	-	-	-	-
	4,382	4,856	4,382	4,856
Total comprehensive income attributable to:				
Owners of the parent	4,382	4,856	4,382	4,856
Non-controlling interests	-	-	-	-
	4,382	4,856	4,382	4,856
Earnings per share attributable to owners of the parent :				
- Basic (sen)	2.74	3.04	2.74	3.04
- 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 2017 and the accompanying explanatory notes attached to this interim financial statements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 30.09.17 RM'000	Audited As At 30.06.17 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	49,124	49,593
Deferred tax assets	317	-
Intangible assets	346	461
Total non-current assets	49,787	50,054
CURRENT ASSETS		
Inventories	88,172	84,576
Trade and other receivables	60,141	55,079
Tax refundable	392	574
Short term investment	24,299	27,910
Deposits, cash and bank balances	11,157	10,375
Total current assets	184,161	178,514
TOTAL ASSETS	233,948	228,568
EQUITY AND LIABILITIES		
Share capital	80,000	80,000
Treasury shares	(70)	(70)
Reserves	120,214	115,832
Total Equity	200,144	195,762
NON-CURRENT LIABILITIES		
Deferred tax liabilities	-	46
Provision	258	261
Bank borrowings	1,819	2,108
Total non-current liabilities	2,077	2,415
CURRENT LIABILITIES		
Trade and other payables	13,980	19,356
Tax liabilities	801	1,025
Bank borrowings	16,946	10,010
Total current liabilities	31,727	30,391
TOTAL LIABILITIES	33,804	32,806
TOTAL EQUITY AND LIABILITIES	233,948	228,568
 NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (SEN)	 125.16	 122.42

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 2017 and the accompanying explanatory notes attached to this interim financial statements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 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>3 months ended 30 September 2017</u>						
As at 01.07.2017	80,000	(70)	115,832	195,762	-	195,762
Profit after taxation / Total comprehensive income for the period	-	-	4,382	4,382	-	4,382
As at 30.09.2017	80,000	(70)	120,214	200,144	-	200,144
<u>3 months ended 30 September 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	-	-	4,856	4,856	-	4,856
As at 30.09.2016	80,000	(70)	104,491	184,421	-	184,421

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 2017 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date 30.09.17 RM'000	Preceding Year Corresponding Period 30.09.16 RM'000
Cash flows from operating activities		
Profit before taxation	5,610	6,550
Adjustments for:		
Non-cash items	1,275	404
Operating profit before changes in working capital	6,885	6,954
Changes in working capital		
Inventories	(3,742)	955
Trade and other receivables	(5,337)	(2,677)
Trade and other payables	(2,183)	1,277
(Absorbed by)/Cash from operations	(4,377)	6,509
Net tax paid	(1,632)	(1,267)
Interest paid	(187)	(253)
Net cash (for)/from operating activities	(6,196)	4,989
Cash flows from/(for) investing activities		
Interest received	302	334
Purchase of property, plant and equipment	(384)	(734)
Net cash for investing activities	(82)	(400)
Cash flows for financing activities		
Drawdown/(Repayment) of bank borrowings	6,647	(8,795)
Dividends paid	(3,198)	(3,198)
Net cash from/(for) financing activities	3,449	(11,993)
Net decrease in cash and cash equivalents	(2,829)	(7,404)
Cash and cash equivalents at beginning of period	38,285	46,260
Cash and cash equivalents at end of period	35,456	38,856
Cash and cash equivalents comprise the following:		
Cash and bank balances	6,631	7,910
Short term investments	24,299	25,342
Deposits with licensed banks	4,526	5,604
Cash and cash equivalents	35,456	38,856

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 2017 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 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 2017 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 2017.

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 2017.

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 2017 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 30 SEPTEMBER 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 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 quarter ended 30 September 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 September 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	-	10,088	11,289	27,822	-	49,199
Inter-segment sales	264	6,882	397	1,535	(9,078)	-
Total revenue	264	16,970	11,686	29,357	(9,078)	49,199
Results						
Profit before tax	302	2,578	712	2,187	(169)	5,610
Tax expense						(1,228)
Profit after tax						4,382
Attributable to :						
Owners of the parent						4,382
Non-controlling interests						-
						4,382

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2017

Period Ended 30 September 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	-	9,408	10,188	25,664	-	45,260
Inter-segment sales	239	5,956	160	1,214	(7,569)	-
Total revenue	239	15,364	10,348	26,878	(7,569)	45,260
Results						
Profit before tax	261	3,354	443	2,479	13	6,550
Tax expense						(1,694)
Profit after tax						4,856
Attributable to :						
Owners of the parent						4,856
Non-controlling interests						-
						4,856

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 September 2017:

	As at 30.09.2017 RM'000	As at 30.06.2017 RM'000
Bank guarantees	759	709

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2017

13. Related Party Transactions

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

	Current Year Quarter 30.09.2017 RM'000	Current Year-To-date 30.09.2017 RM'000
a) Transaction with Yoon Fah Realty Sdn Bhd in which certain directors of the Company have substantial interest:		
- Rental of premises	53	53
	<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 30 SEPTEMBER 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 RM49.20 million and RM5.61 million respectively, revenue increased by RM3.94 million or 8.7% and profit before tax drop by RM0.94 million or 14.4% as compared to previous year corresponding quarter revenue and profit before tax of RM45.26 million and RM6.55 million respectively.

The higher sales were mainly attributed by the Home's Harmony Retail Shops that were opened last year and higher consignment sales. The lower profit before tax in current quarter was due to increased sales of lower margin products, higher promotional and operating costs.

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

The Group posted revenue of RM49.20 million for the current quarter under review, an increase of RM3.09 million or 6.7% compared to RM46.11 million in the immediate preceding quarter ended 30 June 2017 was mainly due to higher export sales.

The Group's current quarter profit before tax slightly increased by RM0.21 million or 3.9% to RM5.61 million as compared to RM5.40 million in the immediate preceding quarter was mainly due to higher export sales.

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 QUARTER ENDED 30 SEPTEMBER 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 30.09.2017 RM'000	Preceding Year Corresponding Quarter 30.09.2016 RM,000	Current Year-To-Date 30.09.2017 RM'000	Preceding Year Corresponding Period 30.09.2016 RM'000
Current taxation	1,591	1,395	1,591	1,395
Deferred taxation	(363)	299	(363)	299
	<u>1,228</u>	<u>1,694</u>	<u>1,228</u>	<u>1,694</u>

The tax expense for the Group reflects an effective tax rate of approximately 21.9%, which is lower than the statutory tax rate of 24% was due to on prior year tax over provision.

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.

9. Group Borrowings and Debt Securities

The Group's total borrowings and debts securities as at 30 September 2017 are as follows:

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total RM'000
Secured			
Bankers' acceptances	15,811	-	15,811
Term loan	1,135	1,819	2,954
	16,946	1,819	18,765

10. Derivative Financial Instruments

As at 30 September 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 approved 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 ending 30 June 2017, will be paid on 18th January 2018 to Depositors whose names are registered in the Record of Depositors on 22nd December 2017.

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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 30.09.2017	Preceding Year Corresponding Quarter 30.09.2016	Current Year-To-Date 30.09.2017	Preceding Year Corresponding Period 30.09.2016
Profit attributable to owners of the parent (RM'000)	4,382	4,856	4,382	4,856
Total number of weighted average ordinary shares in issue ('000)	159,915	159,915	159,915	159,915
Basic earnings per share (sen)	2.74	3.04	2.74	3.04

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 30 September 2017 were as follows:-

	As At 30.09.2017 RM'000	As At 30.06.2017 RM'000
Total retained profits / (losses) of the Company and its subsidiaries :		
-Realised	111,704	107,095
-Unrealised	10,402	10,490
	<u>122,106</u>	<u>117,585</u>
Less: consolidated adjustments	(1,892)	(1,753)
Total consolidated retained profits	<u>120,214</u>	<u>115,832</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 November 2017.