

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2018
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.18 RM'000	Preceding Year Corresponding Quarter 30.06.17 RM'000	Current Year-To-Date 30.06.18 RM'000	Preceding Year Corresponding Period 30.06.17 RM'000
Revenue	50,223	46,110	205,941	188,588
Operating expenses	(43,344)	(41,161)	(174,566)	(161,172)
Other operating income	385	570	2,216	3,485
Operating profit	7,264	5,519	33,591	30,901
Finance costs	(201)	(116)	(796)	(634)
Profit before taxation	7,063	5,403	32,795	30,267
Tax expense	(1,518)	(1,231)	(7,773)	(7,673)
Profit after taxation	5,545	4,172	25,022	22,594
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	5,545	4,172	25,022	22,594
Profit after taxation attributable to:				
Owners of the parent	5,545	4,172	25,022	22,594
Non-controlling interests	-	-	-	-
	5,545	4,172	25,022	22,594
Total comprehensive income attributable to:				
Owners of the parent	5,545	4,172	25,022	22,594
Non-controlling interests	-	-	-	-
	5,545	4,172	25,022	22,594
Earnings per share attributable to owners of the parent :				
- Basic (sen)	3.47	2.61	15.65	14.13
- 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 JUNE 2018
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 30.06.18 RM'000	Audited As At 30.06.17 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	49,158	49,593
Deferred tax assets	690	-
Intangible assets	-	461
Total non-current assets	49,848	50,054
CURRENT ASSETS		
Inventories	103,468	84,576
Trade and other receivables	54,088	55,079
Tax refundable	-	574
Short term investment	27,117	27,910
Deposits, cash and bank balances	12,003	10,375
Total current assets	196,676	178,514
TOTAL ASSETS	246,524	228,568
EQUITY AND LIABILITIES		
Share capital	80,000	80,000
Treasury shares	(70)	(70)
Reserves	132,858	115,832
Total Equity	212,788	195,762
NON-CURRENT LIABILITIES		
Deferred tax liabilities	-	46
Provision	274	261
Bank borrowings	332	2,108
Total non-current liabilities	606	2,415
CURRENT LIABILITIES		
Trade and other payables	18,983	19,356
Tax liabilities	1,408	1,025
Bank borrowings	12,739	10,010
Total current liabilities	33,130	30,391
TOTAL LIABILITIES	33,736	32,806
TOTAL EQUITY AND LIABILITIES	246,524	228,568
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (SEN)	133.06	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 JUNE 2018
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				
<u>12 months ended 30 June 2018</u>						
As at 01.07.2017	80,000	(70)	115,832	195,762	-	195,762
Profit after taxation / Total comprehensive income for the period	-	-	25,022	25,022	-	25,022
Dividends paid	-	-	(7,996)	(7,996)	-	(7,996)
As at 30.06.2018	80,000	(70)	132,858	212,788	-	212,788
<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	-	-	22,594	22,594	-	22,594
Dividends paid	-	-	(6,397)	(6,397)	-	(6,397)
As at 30.06.2017	80,000	(70)	115,832	195,762	-	195,762

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 JUNE 2018
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date 30.06.18 RM'000	Preceding Year Corresponding Period 30.06.17 RM'000
Cash flows from operating activities		
Profit before taxation	32,795	30,267
Adjustments for:		
Non-cash items	5,162	4,381
Operating profit before changes in working capital	37,957	34,648
Changes in working capital		
Inventories	(20,284)	(9,133)
Trade and other receivables	864	(8,792)
Trade and other payables	(366)	3,648
Cash from operations	18,171	20,371
Net tax paid	(7,552)	(7,422)
Interest paid	(790)	(625)
Net cash from operating activities	9,829	12,324
Cash flows from/(for) investing activities		
Interest received	1,211	1,262
Proceed of disposal property, plant and equipment	13	75
Purchase of property, plant and equipment	(3,175)	(2,119)
Net cash for investing activities	(1,951)	(782)
Cash flows from/(for) financing activities		
Drawdown/(Repayment) of bank borrowings	953	(13,120)
Dividends paid	(7,996)	(6,397)
Net cash for financing activities	(7,043)	(19,517)
Net increase/(decrease) in cash and cash equivalents	835	(7,975)
Cash and cash equivalents at beginning of period	38,285	46,260
Cash and cash equivalents at end of period	39,120	38,285
Cash and cash equivalents comprise the following:		
Cash and bank balances	9,132	5,682
Short term investments	27,117	27,910
Deposits with licensed banks	2,871	4,693
Cash and cash equivalents	39,120	38,285

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 JUNE 2018

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 JUNE 2018

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.

A final dividend of 3.0 sen per ordinary share comprising of 3.0 sen per ordinary share single-tier dividend amounting to RM4,797,450 in respect of the financial year ended 30 June 2017 was paid on 18 January 2018 to Depositors whose names are registered in the Record of Depositors on 22 December 2017.

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 2018 was paid on 26th July 2018 to Depositors whose names are registered in the Record of Depositors on 09th July 2018.

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 June 2018.

9. Debt and Equity Securities

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2018

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
30 June 2018	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
Revenue						
External sales	-	27,615	53,954	124,372	-	205,941
Inter-segment sales	7,554	28,525	1,390	5,555	(43,024)	-
Total revenue	7,554	56,140	55,344	129,927	(43,024)	205,941
Results						
Profit before tax	7,665	7,515	6,337	17,841	(6,563)	32,795
Tax expense						(7,773)
Profit after tax						25,022
Attributable to :						
Owners of the parent						25,022
Non-controlling interests						-
						25,022
Period Ended						
30 June 2017	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	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						(7,673)
Profit after tax						22,594
Attributable to :						
Owners of the parent						22,594
Non-controlling interests						-
						22,594

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2018

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 2018:

	As at 30.06.2018 RM'000	As at 30.06.2017 RM'000
Bank guarantees	<u>500</u>	<u>709</u>

13. Related Party Transactions

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

	Current Year Quarter 30.06.2018 RM'000	Current Year-To-date 30.06.2018 RM'000
a) Transaction with Yoon Fah Realty Sdn Bhd in which certain directors of the Company have substantial interest:		
- Rental of premises	<u>6</u>	<u>109</u>

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 JUNE 2018

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 RM50.22 million and RM7.06 million respectively, revenue increased by RM4.11 million or 8.9% and profit before tax increased by RM1.66 million or 30.7% as compared to previous year corresponding quarter revenue and profit before tax of RM46.11 million and RM5.40 million respectively.

For the 12 months ended 30 June 2018, the Group recorded revenue and profit before tax of RM205.94 million and RM32.80 million respectively, representing RM17.35 million or 9.2% increase in revenue and RM2.53 million or 8.4% increase in profit before tax as compared to previous year corresponding period revenue and profit before tax of RM188.59 million and RM30.27 million respectively.

The higher sales were mainly attributed by the 3 newly opened Home's Harmony Retail Shops in Melawati Mall, Sunway Velocity and Sunway Carnival Mall and higher consignment sales in tandem with Hari Raya festive season and zero GST sales. The higher profit before tax in current quarter was mainly due to higher sales.

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

The Group posted revenue of RM50.22 million for the current quarter under review, drop by RM4.46 million or 8.2% compared to RM54.68 million in the immediate preceding quarter ended 31 March 2018. The higher sales of immediate preceding quarter was due to higher sales promotion and Chinese New Year, festive season.

The Group's current quarter profit before tax drop by RM4.29 million or 37.8% to RM7.06 million as compared to RM11.35 million in the immediate preceding quarter was mainly due to lower sales, lower foreign exchange gains and higher 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 2019 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 30.06.2018 RM'000	Preceding Year Corresponding Quarter 30.06.2017 RM,000	Current Year-To-Date 30.06.2018 RM'000	Preceding Year Corresponding Period 30.06.2017 RM'000
Current taxation	1,373	1,770	8,420	7,756
Deferred taxation	145	(539)	(736)	(294)
Prior year tax expense	-	-	89	211
	<u>1,518</u>	<u>1,231</u>	<u>7,773</u>	<u>7,673</u>

The tax expense for the Group reflects an effective tax rate of approximately 23.7%, which is lower than the statutory tax rate of 24% was mainly due to prior year tax expense adjustment.

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 30 JUNE 2018

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 2018 are as follows:

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total RM'000
Secured			
Bankers' acceptances	11,965	-	11,965
Term loan	774	332	1,106
	12,739	332	13,071

10. Derivative Financial Instruments

As at 30 June 2018, 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 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 2018. 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 QUARTER ENDED 30 JUNE 2018

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 30.06.2018	Preceding Year Corresponding Quarter 30.06.2017	Current Year-To-Date 30.06.2018	Preceding Year Corresponding Period 30.06.2017
Profit attributable to owners of the parent (RM'000)	5,545	4,172	25,022	22,594
Total number of weighted average ordinary shares in issue ('000)	159,915	159,915	159,915	159,915
Basic earnings per share (sen)	3.47	2.61	15.65	14.13

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. Authorisation

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board on 28 August 2018.