

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 Dec 2019**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Dec 2019 RM'000	Preceding Year Corresponding Quarter 31 Dec 2018 RM'000	Current Year-To-Date 31 Dec 2019 RM'000	Preceding Year Corresponding Period 31 Dec 2018 RM'000
Revenue	64,791	66,036	116,978	130,616
Operating expenses	(60,497)	(55,458)	(108,181)	(112,807)
Other operating income	624	495	1,365	1,502
Operating profit	4,918	11,073	10,162	19,311
Finance costs	(183)	(170)	(337)	(360)
Profit before taxation	4,735	10,903	9,825	18,951
Tax expense	(1,205)	(2,647)	(2,533)	(4,718)
Profit after taxation	3,530	8,256	7,292	14,233
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>3,530</u>	<u>8,256</u>	<u>7,292</u>	<u>14,233</u>
<b>Profit after taxation attributable to:</b>				
Owners of the parent	3,530	8,256	7,292	14,233
Non-controlling interests	-	-	-	-
	<u>3,530</u>	<u>8,256</u>	<u>7,292</u>	<u>14,233</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	3,530	8,256	7,292	14,233
Non-controlling interests	-	-	-	-
	<u>3,530</u>	<u>8,256</u>	<u>7,292</u>	<u>14,233</u>
Earnings per share attributable to owners of the parent :				
- Basic (sen)	2.21	5.16	4.56	8.90
- 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 2019 and the accompanying explanatory notes attached to this interim financial statements.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 Dec 2019  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As At 31 Dec 2019 RM'000	Audited As At 30 Jun 2019 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	58,580	60,311
Right-of-use assets	7,730	-
Deferred tax assets	2,729	2,216
<b>Total non-current assets</b>	<b>69,039</b>	<b>62,527</b>
<b>CURRENT ASSETS</b>		
Inventories	88,613	77,590
Trade and other receivables	50,393	54,645
Tax assets	1,176	49
Short term investment	49,113	44,175
Deposits, cash and bank balances	14,609	15,246
<b>Total current assets</b>	<b>203,904</b>	<b>191,705</b>
<b>TOTAL ASSETS</b>	<b>272,943</b>	<b>254,232</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	80,000	80,000
Treasury shares	(70)	(70)
Reserves	149,745	146,451
<b>Total Equity</b>	<b>229,675</b>	<b>226,381</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	1,122	1,273
Provision	374	370
Lease liabilities	2,254	-
Bank borrowings	8,522	8,258
<b>Total non-current liabilities</b>	<b>12,272</b>	<b>9,901</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	18,580	16,932
Tax liabilities	328	-
Lease liabilities	5,233	-
Bank borrowings	6,855	1,018
<b>Total current liabilities</b>	<b>30,996</b>	<b>17,950</b>
<b>TOTAL LIABILITIES</b>	<b>43,268</b>	<b>27,851</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>272,943</b>	<b>254,232</b>
 NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (RM)	 1.44	 1.42

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 2019 and the accompanying explanatory notes attached to this interim financial statements.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 Dec 2019**  
**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			
<b><u>6 months ended 31 Dec 2019</u></b>						
As at 1 July 2019	80,000	(70)	146,451	226,381	-	226,381
Profit after taxation / Total comprehensive income for the	-	-	7,292	7,292	-	7,292
Dividends paid	-	-	(3,998)	(3,998)	-	(3,998)
<b>As at 31 Dec 2019</b>	<b>80,000</b>	<b>(70)</b>	<b>149,745</b>	<b>229,675</b>	<b>-</b>	<b>229,675</b>
<b><u>6 months ended 31 Dec 2018</u></b>						
As at 1 July 2018	80,000	(70)	132,858	212,788	-	212,788
Profit after taxation / Total comprehensive income for the	-	-	14,233	14,233	-	14,233
Dividends paid	-	-	(3,198)	(3,198)	-	(3,198)
<b>As at 31 Dec 2018</b>	<b>80,000</b>	<b>(70)</b>	<b>143,893</b>	<b>223,823</b>	<b>-</b>	<b>223,823</b>

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 2019 and the accompanying explanatory notes attached to this interim financial report.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 Dec 2019  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>Current Year-To-Date 31 Dec 2019 RM'000</b>	<b>Preceding Year Corresponding Period 31 Dec 2018 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	9,825	18,951
Adjustments for:		
Interest income	(895)	(637)
Interest expense	337	360
Depreciation of property, plant and equipment	1,984	1,871
Depreciation of right-of-use assets	3,147	-
Impairment loss for slow moving stock	1,151	685
Impairment loss on trade receivables	995	9
Foreign exchange loss/(gain)	127	(789)
Non-cash items	14	(19)
Operating profit before changes in working capital	<u>16,685</u>	<u>20,431</u>
Changes in working capital		
Inventories	(12,174)	4,981
Trade and other receivables	3,052	(7,963)
Trade and other payables	<u>2,279</u>	<u>13,221</u>
Cash from operations	9,842	30,670
Net tax paid	(3,995)	(3,914)
Interest paid	<u>(245)</u>	<u>(357)</u>
Net cash from operating activities	<u>5,602</u>	<u>26,399</u>
<b>Cash flows from/(for) investing activities</b>		
Interest received	895	637
Proceed of disposal property, plant and equipment	19	26
Purchase of property, plant and equipment	<u>(820)</u>	<u>(14,567)</u>
Net cash from/(for) investing activities	<u>94</u>	<u>(13,904)</u>
<b>Cash flows for financing activities</b>		
Drawdown of bankers acceptance	5,843	1,407
Drawdown/(Repayment) of term loan	257	(1,118)
Repayment of lease liabilities	(3,497)	-
Dividends paid	<u>(3,998)</u>	<u>(3,198)</u>
Net cash for financing activities	<u>(1,395)</u>	<u>(2,909)</u>
<b>Net increase in cash and cash equivalents</b>	4,301	9,586
<b>Cash and cash equivalents at beginning of period</b>	<u>59,421</u>	<u>39,120</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>63,722</u></u>	<u><u>48,706</u></u>

**Cash and cash equivalents comprise the following:**

Cash and bank balances	11,655	12,640
Short term investments	49,113	32,720
Deposits with licensed banks	2,954	3,346
<b>Cash and cash equivalents</b>	<u><u>63,722</u></u>	<u><u>48,706</u></u>

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 2019 and the accompanying explanatory notes attached to this interim financial report.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 Dec 2019**

**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 2019 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 2019.

**2. Summary of significant accounting policies**

**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 2019.

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 except for changes arising from the adoption of MFRS 16 “Leases”.

The Group has adopted MFRS 16 in current financial period. Under MFRS 16, a lease is a contract that conveys the right to control the use of an identified assets for a period of time in exchange for consideration. MFRS 16 eliminates the classification of leases by the lessee as either financial leases or operating leases. MFRS 16 requires the leases to recognise a “right-of-use” of the underlying assets and a lease liability reflecting future lease payments for most leases.

The right-of-use asset is depreciated in accordance with the principles in MFRS 116 Property, Plant and Equipment and the

On the date of initial application, the Group applied the modified retrospective method and did not restate comparative amounts for the period prior to first adoption. The impact of adopting MFRS 16 to opening balances are as follows :

Balance sheet

Impact of adopting MFRS 16 at 1 July 2019 :

	RM'000
Right-of-use assets	10,033
Lease liabilities	(10,033)

The finance lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate as at 1 July 2019. Right-of-use assets were measured at an amount equal to the lease liabilities, adjusted by the amount of the prepaid or accrued lease payments. Accordingly, there is no impact to the accumulated earnings of the Group as at 1 July 2019.

On the income statement, expenses which previously included operating lease rental were replaced by interest expenses on lease liabilities and depreciation of the right-of-use assets.

On the statement of cash flows, operating lease rental outflows previously recorded within net cash flows from operating activities were reclassified as net cash flows use in financing activities for repayment of principal of lease liabilities and net cash flows used in operating activities for cash payments for the interest portion of the lease liability.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 Dec 2019**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**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 2019 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,

**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 2.5 sen per ordinary share comprising of 2.5 sen per ordinary share single-tier tax exempt dividend amounting to RM3,997,875 in respect of the financial year ending 30 June 2019 was paid on 26 July 2019 to Depositors whose names are registered in the Record of Depositors on 9 July 2019.

A final dividend of 2.5 sen per ordinary share comprising of 2.5 sen per ordinary share single-tier dividend amounting to RM3,997,875 in respect of the financial year ended 30 June 2019 was paid on 17 January 2020 to Depositors whose names are registered in the Record of Depositors on 20 December 2019.

**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 Dec 2019.

**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 YEAR ENDED 31 Dec 2019

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**10. Segmental Reporting**

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

<b>Period Ended</b>	<b>Investment holding</b>	<b>Design and manufacturing</b>	<b>Retailing</b>	<b>Distribution and trading</b>	<b>Elimination</b>	<b>Consolidated</b>
<b>31 Dec 2019</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>						
External sales	-	11,448	35,683	69,847	-	116,978
Inter-segment sales	551	12,171	692	4,377	(17,791)	-
Total revenue	551	23,619	36,375	74,224	(17,791)	116,978
<b>Results</b>						
Profit before tax	554	1,013	4,442	4,221	(405)	9,825
Tax expense						(2,533)
Profit after tax						7,292
Attributed to:-						
Owners of the parent						7,292
Non controlling interests						-
						7,292
<b>Period Ended</b>						
<b>31 Dec 2018</b>	<b>Investment holding</b>	<b>Design and manufacturing</b>	<b>Retailing</b>	<b>Distribution and trading</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>						
External sales	-	15,004	31,419	84,193	-	130,616
Inter-segment sales	575	15,360	1,274	2,017	(19,226)	-
Total revenue	575	30,364	32,693	86,210	(19,226)	130,616
<b>Results</b>						
Profit before tax	597	4,512	4,207	9,563	72	18,951
Tax expense						(4,718)
Profit after tax						14,233
Attributed to:-						
Owners of the parent						14,233
Non controlling interests						-
						14,233

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 Dec 2019**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**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 Dec 2019:

	<b>As at 31 Dec 2019 RM'000</b>	<b>As at 30 Jun 19 RM'000</b>
Bank guarantees	<u>837</u>	<u>1,181</u>

**13. Related Party Transactions**

There were no significant transactions with related party as at the date of this report.

**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 YEAR ENDED 31 Dec 2019**  
**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 RM64.79 million and RM4.73 million respectively, representing RM1.25 million or 1.9% drop in revenue and RM6.17 million or 56.6% drop in profit before tax as compared to the corresponding quarter in previous year's revenue and profit before tax of RM66.04 million and RM10.90 million respectively. Revenue drop marginally was mainly due to lower export sales. Lower sales, higher operating expenditure and provision for certain expenses have resulted in lower profit before tax in this current quarter.

For the 6 months ended 31 December 2019, the Group recorded revenue and profit before tax of RM116.98 million and RM9.83 million respectively, representing RM13.64 million or 10.4% drop in revenue and RM9.12 million or 48.1% drop in profit before tax as compared to previous year corresponding period revenue and profit before tax of RM130.62 million and RM18.95 million respectively.

Lower revenue for the period ended 31 December 2019 was mainly due to lower export and consignment sales. Lower sales, higher operating expenditure and provision for certain expenses have resulted in lower profit before tax.

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

The Group revenue for the current quarter under review, increased by RM12.60 million or 24.1% to RM64.79 million compared to RM52.19 million in the immediate preceding quarter ended 30 September 2019 were due to year end festive season sales and attributed by two (2) newly open Home's Harmony retail boutique shops at Toppen Shopping Centre and Sutera Mall in Johor.

The Group's current quarter profit before tax drop by RM0.36 million or 7.1% to RM4.73 million as compared to RM5.09 million in the immediate preceding quarter were mainly due to 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 2020 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.

**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 Ended	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	RM'000	RM'000	RM'000	RM'000
Current taxation	2,168	2,589	3,196	4,691
Deferred taxation	(963)	58	(663)	27
	<u>1,205</u>	<u>2,647</u>	<u>2,533</u>	<u>4,718</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 to certain not allowable expenses.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 Dec 2019**  
**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS**

**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.

**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 Dec 2019 are as follows:

	<b>Short Term Borrowings RM'000</b>	<b>Long Term Borrowings RM'000</b>	<b>Total RM'000</b>
<b>Secured</b>			
Bankers' acceptances	6,396	-	6,396
Term loan	459	8,522	8,981
	<u>6,855</u>	<u>8,522</u>	<u>15,377</u>

**10. Derivative Financial Instruments**

As at 31 Dec 2019, the Group has no significant outstanding derivative 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 YEAR ENDED 31 Dec 2019**  
**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS**

**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.

	<b>Current Year Quarter 31 Dec 2019</b>	<b>Preceding Year Corresponding Quarter 31 Dec 2018</b>	<b>Current Year-To-Date 31 Dec 2019</b>	<b>Preceding Year Corresponding Period 31 Dec 2018</b>
Profit attributable to owners of the parent (RM'000)	3,530	8,256	7,292	14,233
Total number of weighted average ordinary shares in issue ('000)	159,915	159,915	159,915	159,915
Basic earnings per share (sen)	2.21	5.16	4.56	8.90

**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 27 February 2020.