

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.21 RM'000	Preceding Year Corresponding Quarter 31.03.20 RM'000	Current Year-To-Date 31.03.21 RM'000	Preceding Year Corresponding Period 31.03.20 RM'000
Revenue	53,855	50,224	168,515	167,202
Operating expenses	(44,384)	(45,245)	(142,511)	(153,426)
Other operating income	109	677	1,106	2,042
Operating profit	9,580	5,656	27,110	15,818
Finance costs	(145)	(250)	(513)	(587)
Profit before taxation	9,435	5,406	26,597	15,231
Tax expense	(2,626)	(1,256)	(6,898)	(3,789)
Profit after taxation	6,809	4,150	19,699	11,442
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	6,809	4,150	19,699	11,442
Profit after taxation attributable to:				
Owners of the parent	6,809	4,150	19,699	11,442
Non-controlling interests	-	-	-	-
	6,809	4,150	19,699	11,442
Total comprehensive income attributable to:				
Owners of the parent	6,809	4,150	19,699	11,442
Non-controlling interests	-	-	-	-
	6,809	4,150	19,699	11,442
Earnings per share attributable to owners of the parent :				
- Basic (sen)	4.29	2.60	12.42	7.16
- 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 2020 and the accompanying explanatory notes attached to this interim financial statements.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As At 31.03.21 RM'000	Audited As At 30.06.2020 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	54,359	56,777
Right-of-use assets	6,331	7,577
Deferred tax assets	3,124	2,723
Total non-current assets	63,814	67,077
CURRENT ASSETS		
Inventories	68,149	83,071
Trade and other receivables	36,790	35,209
Tax assets	183	728
Short term investment	91,118	55,182
Deposits, cash and bank balances	19,934	15,276
Total current assets	216,174	189,466
TOTAL ASSETS	279,988	256,543
EQUITY AND LIABILITIES		
Share capital	80,000	80,000
Treasury shares	(823)	(823)
Reserves	171,867	154,548
Total Equity	251,044	233,725
NON-CURRENT LIABILITIES		
Deferred tax liabilities	1,411	1,138
Provision	384	380
Lease liabilities	1,848	2,477
Bank borrowings	1,100	1,697
Total non-current liabilities	4,743	5,692
CURRENT LIABILITIES		
Trade and other payables	9,579	9,917
Tax liabilities	2,521	33
Lease liabilities	4,665	5,199
Bank borrowings	7,436	1,977
Total current liabilities	24,201	17,126
TOTAL LIABILITIES	28,944	22,818
TOTAL EQUITY AND LIABILITIES	279,988	256,543
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (RM)	1.58	1.46

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 2020 and the accompanying explanatory notes attached to this interim financial statements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent			Sub-Total RM000	Non-controlling Interests RM000	Total Equity RM000
	Share Capital RM000	Treasury Share RM000	Retained Profits RM000			
<u>9 months ended 31 March 2021</u>						
As at 1 July 2020	80,000	(823)	154,548	233,725	-	233,725
Profit after taxation / Total comprehensive income for the period	-	-	19,699	19,699	-	19,699
Dividends paid	-	-	(2,380)	(2,380)	-	(2,380)
As at 31.03.2021	80,000	(823)	171,867	251,044	-	251,044
<u>9 months ended 31 March 2020</u>						
As at 01.07.2019	80,000	(70)	146,451	226,381	-	226,381
Profit after taxation / Total comprehensive income for the period	-	-	11,442	11,442	-	11,442
Dividends paid	-	-	(3,998)	(3,998)	-	(3,998)
Buy-back of ordinary share	-	(752)	-	(752)	-	(752)
As at 31.03.2020	80,000	(822)	153,895	233,073	-	233,073

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 2020 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date 31.03.21 RM'000	Preceding Year Corresponding Period 31.03.20 RM'000
Cash flows from operating activities		
Profit before taxation	26,597	15,231
Adjustments for:		
Interest income	(993)	(1,320)
Interest expense	519	587
Depreciation of property, plant and equipment	2,850	2,977
Depreciation of right-of-use assets	4,788	4,823
Impairment loss for slow moving stock	1,801	2,261
Writeback allowance of Impairment loss on receivables	(94)	(281)
Foreign exchange loss/(gain)	360	(328)
Non-cash items	(10)	23
Operating profit before changes in working capital	35,818	23,973
Changes in working capital		
Inventories	13,121	(12,145)
Trade and other receivables	(1,829)	7,847
Trade and other payables	2,015	18
Cash from operations	49,125	19,693
Net tax paid	(3,993)	(6,172)
Interest paid	(125)	(440)
Net cash from operating activities	45,007	13,081
Cash flows from/(for) investing activities		
Interest received	993	1,320
Proceed of disposal property, plant and equipment	34	19
Purchase of property, plant and equipment	(453)	(947)
Buy-back of ordinary shares	-	(752)
Net cash from/(for) investing activities	574	(360)
Cash flows for financing activities		
Drawdown of bankers acceptance	5,442	8,692
(Repayment)/net drawdown of term loan	(580)	138
Payment of lease obligations	(5,090)	(4,973)
Dividends paid	(4,759)	(7,996)
Net cash for financing activities	(4,987)	(4,139)
Net increase in cash and cash equivalents	40,594	8,582
Cash and cash equivalents at beginning of period	70,458	59,421
Cash and cash equivalents at end of period	111,052	68,003
Cash and cash equivalents comprise the following:		
Cash and bank balances	14,949	14,112
Short term investments	91,118	51,425
Deposits with licensed banks	4,985	2,466
Cash and cash equivalents	111,052	68,003

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 2020 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021

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 2020 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 2020.

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 2020.

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 2020 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 2021

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 1.5 sen per ordinary share comprising of 1.5 sen per ordinary share single-tier tax exempt dividend amounting to RM2,379,791 in respect of the financial year ending 30 June 2020 was paid on 18 August 2020 to Depositors whose names are registered in the Record of Depositors on 29 July 2020.

The approved final dividend of 1.5 sen per ordinary share comprising of 1.5 sen per ordinary share single-tier tax exempt dividend amounting to RM2,379,791 in respect of the financial year ending 30 June 2020, was paid on 19 January 2021 to Depositors whose names are registered in the Record of Depositors on 22 December 2020.

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 2020.

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 31 MARCH 2021

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
31.03.2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External sales	-	15,260	50,886	102,369		168,515
Inter-segment sales	11,597	16,285	554	5,470	(33,906)	-
Total revenue	11,597	31,545	51,440	107,839	(33,906)	168,515
Results						
Profit before tax	11,468	3,521	9,575	12,927	(10,894)	26,597
Tax expense						(6,898)
Profit after tax						19,699
Attributed to:-						
Owners of the parent						19,699
Non controlling interests						-
						19,699
Revenue						
External sales	-	15,718	49,608	101,876		167,202
Inter-segment sales	5,076	17,019	827	5,930	(28,852)	-
Total revenue	5,076	32,737	50,435	107,806	(28,852)	167,202
Results						
Profit before tax	5,106	2,804	5,188	6,733	(4,600)	15,231
Tax expense						(3,789)
Profit after tax						11,442
Attributed to:-						
Owners of the parent						11,442
Non controlling interests						-
						11,442

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021

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 2021:

	As at 31.03.2021 RM'000	As at 30.06.2020 RM'000
Bank guarantees	<u>710</u>	<u>677</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

On 3 May 2021, Movement Control Order (MCO) 2.0 restrictions were re-imposed on selected states in response to a spike in COVID-19 cases. Under the Hotspot Identification for Dynamic Engagement (HIDE) system, the government has announced three (3) days closure for 151 premises and locations nationwide, including shopping malls for sanitisation purposes from 9 May to 11 May to help curb the spread of COVID-19,

The whole country was placed under MCO 3.0 from 12 May 2021 till 7 June 2021 due to the presence of more infectious and lethal Covid-19 variants entrenched within the community.

The Three (3) days closure under the HIDE system and the Standard Operating Procedures imposed during MCO 2.0 and MCO 3.0 nationwide have restricted the Group's operations from operating at full capacity. The preventive measures imposed by certain countries have also impacted the Group's export sales. Consequently, the Group's results for the coming months will be impacted by the Covid-19 pandemic both locally and abroad.

Other than the above, there were 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 2021

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 of RM53.86 million representing RM3.64 million or 7.2% increase as compared to the corresponding quarter in previous year's revenue of RM50.22 million. Higher sales was due to unprecedented Movement Control Order (MCO) or MCO 1.0 as the Group was not allowed to operate its retails business because bed linen and homeware are non-essential products from 18 March 2020 till 31 March 2020.

The Group's profit before tax increased by RM4.02 million or 74.3% to RM9.43 million from RM5.41 million in the corresponding quarter in previous year was attributed by higher sales, lower operating expenses and the Group's cost saving initiatives.

For the 9 months ended 31 March 2021, the Group recorded revenue and profit before tax of RM168.52 million and RM26.60 million respectively, representing RM1.32 million or 0.8% increase in revenue and RM11.37 million or 74.7% increase in profit before tax as compared to previous year corresponding period revenue and profit before tax of RM167.20 million and RM15.23 million respectively.

The slight increase in revenue for the 9 months ended 31 March 2021 was contributed by higher online sales. Lower operating expenses, lower impairment for slow moving stocks, the Group's cost saving initiatives and the government's stimulus package have attributed to higher 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, drop by RM1.07 million or 2.0% to RM53.86 million compared to RM54.93 million in the immediate preceding quarter ended 31 December 2020 was due to MCO 2.0 imposed from 13 January till 12 February 2021 initially for selected states but subsequently extended to 4 March 2021 and expanded to other states had impacted the Group's retail and consignment sales.

The Group's current quarter profit before tax drop slightly by RM0.14 million or 1.5% to RM9.43 million as compared to RM9.57 million in the immediate preceding quarter was due to the slight drop in sales.

3. Prospects for the Current Financial Year

The Covid-19 Pandemic started as a health crisis has evolved into a global economic crisis and the recovery is still uncertain. The local retail market and export sales will remain challenging and competitive in moving forward. Nevertheless, the management has taken various austerity measures including streamline operations, pro-active marketing strategies and with the Group's underlying fundamental strength of efficient business operations, financial stability and wide distribution network, the Board expects the impact is mitigated and a satisfactory growth in the financial performance of the Group for the coming financial year ending 30 June 2021.

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 2021

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 31.03.21 RM'000	Preceding Year Corresponding Quarter 31.03.20 RM'000	Current Year-to-date 31.03.21 RM'000	Preceding Year Corresponding Period 31.03.20 RM'000
Current taxation	2,179	1,285	7,072	4,481
Deferred taxation	494	54	(127)	(609)
Prior year tax expense	(47)	(83)	(47)	(83)
	<u>2,626</u>	<u>1,256</u>	<u>6,898</u>	<u>3,789</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 due to certain not allowable 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.

8. Status of Corporate Proposals

There were no corporate proposals announced during the current quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021

9. Group Borrowings and Debt Securities

The Group's total borrowings and debts securities as at 31 March 2021 are as follows:

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total RM'000
Secured			
Bankers' acceptances	6,643	-	6,643
Term loan	793	1,100	1,893
	<u>7,436</u>	<u>1,100</u>	<u>8,536</u>

10. Derivative Financial Instruments

As at 31 March 2021, 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 of Directors has declared 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 RM3,966,318 in respect of the financial year ending 30 June 2021.

The interim dividend will be paid on 16 July 2021 to Depositors whose names are registered in the Record of Depositors on 28 June 2021.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021

13. Earnings 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 31.03.21	Preceding Year Corresponding Quarter 31.03.20	Current Year-To-Date 31.03.21	Preceding Year Corresponding Period 31.03.20
Profit attributable to owners of the parent (RM'000)	6,809	4,150	19,699	11,442
Total number of weighted average ordinary shares in issue ('000)	158,653	159,727	158,653	159,853
Basic earnings per share (sen)	4.29	2.60	12.42	7.16

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.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2021

14. Profit Before Tax

The following items have been included in arriving at profit before tax :

	Preceding Year		Preceding Year	
	Current Year	Corresponding	Current	Corresponding
	Quarter	Quarter	Year-To-Date	Period
	31.03.21	31.03.20	31.03.21	31.03.20
	RM'000	RM'000	RM'000	RM'000
After charging :				
Interest expense	152	250	519	587
Depreciation and amortisation	2,452	2,669	7,638	7,800
Impairment loss for slow moving stock	-	1,110	1,801	2,261
Impairment loss on receivables	-	-	-	-
Realised foreign exchange loss	21	222	208	-
Unrealised foreign exchange loss	-	-	152	-
After crediting :				
Interest income	(79)	(425)	(993)	(1,320)
Gain on disposal of assets	-	-	(26)	(17)
Writeback of impairment loss for slow moving stock	(247)	-	-	-
Writeback of impairment loss on receivable	(134)	(1,276)	(94)	(281)
Realised foreign exchange gain	-	-	-	(112)
Unrealised foreign exchange gain	(425)	(481)	-	(216)

There were no gain or loss on disposal of quoted or unquoted investments or properties and derivative financial instruments for the current quarter and financial year to-date under review.

15. Authorisation

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board on 27 May 2021.