

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year-To-Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Revenue	69,379	37,144	227,969	205,659
Operating expenses	(55,003)	(33,647)	(184,909)	(176,158)
Other operating income	915	590	2,272	1,696
Operating profit	15,291	4,087	45,332	31,197
Finance costs	(144)	(129)	(470)	(642)
Profit before taxation	15,147	3,958	44,862	30,555
Tax expense	(3,732)	(539)	(10,975)	(7,438)
Profit after taxation	11,415	3,419	33,887	23,117
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	11,415	3,419	33,887	23,117
Profit after taxation attributable to:				
Owners of the parent	11,415	3,419	33,887	23,117
Non-controlling interests	-	-	-	-
	11,415	3,419	33,887	23,117
Total comprehensive income attributable to:				
Owners of the parent	11,415	3,419	33,887	23,117
Non-controlling interests	-	-	-	-
	11,415	3,419	33,887	23,117
Earnings per share attributable to owners of the parent :				
- Basic (sen)	7.19	2.16	21.36	14.57
- 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 2021 and the accompanying explanatory notes attached to this interim financial statements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 30.06.2022 RM'000	Audited As At 30.06.2021 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	55,047	53,486
Right-of-use assets	6,404	6,259
Deferred tax assets	2,643	3,570
Total non-current assets	64,094	63,315
CURRENT ASSETS		
Inventories	68,792	74,694
Trade and other receivables	43,507	27,702
Tax assets	840	480
Short term investment	73,735	93,476
Deposits, cash and bank balances	59,889	20,387
Total current assets	246,763	216,739
TOTAL ASSETS	310,857	280,054
EQUITY AND LIABILITIES		
Share capital	80,000	80,000
Treasury shares	(823)	(823)
Reserves	198,067	171,319
Total Equity	277,244	250,496
NON-CURRENT LIABILITIES		
Deferred tax liabilities	1,617	1,203
Provision	387	385
Lease liabilities	2,732	1,987
Bank borrowings	73	895
Total non-current liabilities	4,809	4,470
CURRENT LIABILITIES		
Trade and other payables	18,161	14,859
Tax liabilities	2,182	1,480
Lease liabilities	3,792	4,409
Bank borrowings	4,669	4,340
Total current liabilities	28,804	25,088
TOTAL LIABILITIES	33,613	29,558
TOTAL EQUITY AND LIABILITIES	310,857	280,054
 NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (RM)	 1.75	 1.58

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 2021 and the accompanying explanatory notes attached to this interim financial statements.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022
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 2022</u>						
As at 1 July 2021	80,000	(823)	171,319	250,496	-	250,496
Profit after taxation / Total comprehensive income for the period	-	-	33,887	33,887	-	33,887
Dividends paid	-	-	(7,139)	(7,139)	-	(7,139)
As at 30.06.2022	80,000	(823)	198,067	277,244	-	277,244
<u>12 months ended 30 June 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	-	-	23,117	23,117	-	23,117
Dividends paid	-	-	(6,346)	(6,346)	-	(6,346)
As at 30.06.2021	80,000	(823)	171,319	250,496	-	250,496

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 2021 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-To-Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Cash flows from operating activities		
Profit before taxation	44,862	30,555
Adjustments for:		
Interest income	(1,669)	(1,579)
Interest expense	470	642
Depreciation of property, plant and equipment	3,687	3,773
Depreciation of right-of-use assets	5,035	6,646
(Writeback)/Impairment loss for slow moving stock	(3,070)	2,364
(Writeback)/Allowance of Impairment loss on receivables	(1,031)	127
Allowance/(Writeback) of Impairment loss on other receivables	1	(5)
Foreign exchange loss/(gain)	(249)	119
Non-cash items	(614)	(571)
Operating profit before changes in working capital	47,422	42,071
Changes in working capital		
Inventories	8,972	6,013
Trade and other receivables	(14,679)	7,253
Trade and other payables	2,662	3,360
Cash from operations	44,377	58,697
Net tax paid	(9,291)	(6,524)
Interest paid	(180)	(168)
Net cash from operating activities	34,906	52,005
Cash flows from/(for) investing activities		
Interest received	1,669	1,579
Proceed of disposal property, plant and equipment	35	34
Purchase of property, plant and equipment	(5,371)	(508)
Buy-back of ordinary shares	-	-
Net cash (for)/from investing activities	(3,667)	1,105
Cash flows for financing activities		
Drawdown of bankers acceptance	307	2,338
Repayment of term loan	(801)	(777)
Payment of lease obligations	(4,637)	(6,507)
Dividends paid	(6,346)	(4,759)
Net cash for financing activities	(11,477)	(9,705)
Net increase in cash and cash equivalents	19,762	43,405
Cash and cash equivalents at beginning of period	113,862	70,458
Cash and cash equivalents at end of period	133,624	113,863
Cash and cash equivalents comprise the following:		
Cash and bank balances	17,869	20,387
Short term investments	73,735	88,485
Deposits with licensed banks	42,020	4,991
Cash and cash equivalents	133,624	113,863

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 2021 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

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 2021 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 2021.

2. Summary of significant 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 2021.

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 2021 was not subject to any audit qualification.

4. Seasonality or Cyclical 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 YEAR ENDED 30 JUNE 2022

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 RM3,966,319 in respect of the financial year ending 30 June 2021 was paid on 16 July 2021 to Depositors whose names are registered in the Record of Depositors on 28 June 2021.

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 RM2,379,792 in respect of the financial year ending 30 June 2021, was paid on 19 January 2022 to Depositors whose names were registered in the Record of Depositors on 22 December 2021.

An interim dividend of 3.0 sen per ordinary share comprising of 3.0 sen per ordinary share single-tier tax exempt dividend amounting to RM4,759,581 in respect of the financial year ending 30 June 2022 was paid on 21 July 2022 to Depositors whose names are registered in the Record of Depositors on 28 June 2022.

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 2021.

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 30 JUNE 2022

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
30.06.2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External sales	-	16,404	75,343	136,222		227,969
Inter-segment sales	16,043	20,365	1,450	5,844	(43,702)	-
Total revenue	16,043	36,769	76,793	142,066	(43,702)	227,969
Results						
Profit before tax	15,993	5,364	15,223	22,870	(14,588)	44,862
Tax expense						(10,975)
Profit after tax						33,887
Attributed to:-						
Owners of the parent						33,887
Non controlling interests						-
						33,887
Revenue						
External sales	-	18,041	62,417	125,201		205,659
Inter-segment sales	11,762	20,087	785	6,829	(39,463)	-
Total revenue	11,762	38,128	63,202	132,030	(39,463)	205,659
Results						
Profit before tax	11,699	2,684	10,195	17,073	(11,096)	30,555
Tax expense						(7,438)
Profit after tax						23,117
Attributed to:-						
Owners of the parent						23,117
Non controlling interests						-
						23,117

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

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 year ended 30 June 2021:

	As at 30.06.2022 RM'000	As at 30.06.2021 RM'000
Bank guarantees	<u>524</u>	<u>590</u>

13. Related Party Transactions

Significant related party transactions for the current quarter under review are as follows :

	As at 30.06.2022 RM'000	As at 30.06.2021 RM'000
NC Twenty Eight Glory Sdn Bhd - Supply of home linen products	<u>1,902</u>	<u>1,195</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

The Group capital commitments in this current quarter under review are as follows :

	As at 30.06.2022 RM'000
a) Solar photovoltaic module system	<u>961</u>

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

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 RM69.38 million representing RM32.24 million or 86.8% increase as compared to the corresponding quarter in previous year's revenue of RM37.14 million. Higher sales were from 3 months retails and consignment sales compare with 2 months sales in last year because movement control order had suspended the Group's retails and consignment business for the entire month of June 2021.

The Group's profit before tax increased by RM11.19 million or 282.6% to RM15.15 million from RM3.96 million in the corresponding quarter in previous year was attributed by higher sales.

For the 12 months ended 30 June 2022, the Group recorded revenue of RM227.97 million, representing RM22.31 million or 10.8% increase compared with the previous year corresponding period revenue of RM205.66 million were from retails, consignment and online sales.

The Group profit before tax for the 12 months ended 30 June 2022 increased by RM14.30 million or 46.8% to RM44.86 million from previous year corresponding period of RM30.56 million. Higher profit was mainly due to higher sales, lower operating expenses, write-back of impairment loss on trade receivables and slow-moving stocks.

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, increase by RM5.05 million or 7.9% to RM69.38 million compared to RM64.33 million in the immediate preceding quarter ended 31 March 2022 was due to sales event, promotion and Hari Raya festive season sales.

The Group's current quarter profit before tax increase by RM2.08 million or 15.9% to RM15.15 million as compared to RM13.07 million in the immediate preceding quarter was due to higher sales and write-back of impairment on slow-moving stocks.

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 2023.

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 YEAR ENDED 30 JUNE 2022

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 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year-to-date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Current taxation	2,992	1,200	9,640	8,272
Deferred taxation	744	(655)	1,342	(781)
Prior year tax expense	(4)	(6)	(7)	(53)
	<u>3,732</u>	<u>539</u>	<u>10,975</u>	<u>7,438</u>

The tax expense for the Group reflects an effective tax rate of approximately 24.5%, 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 YEAR ENDED 30 JUNE 2022

9. Group Borrowings and Debt Securities

The Group's total borrowings and debts securities as at 30 June 2022 are as follows:

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total RM'000
Secured			
Bankers' acceptances	3,846	-	3,846
Term loan	823	73	896
	<u>4,669</u>	<u>73</u>	<u>4,742</u>

10. Derivative Financial Instruments

As at 30 June 2022, 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 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 RM4,759,581 in respect of the financial year ended 30 June 2022. 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 YEAR ENDED 30 JUNE 2022

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 30.06.2022	Preceding Year Corresponding Quarter 30.06.2021	Current Year-To-Date 30.06.2022	Preceding Year Corresponding Period 30.06.2021
Profit attributable to owners of the parent (RM'000)	11,415	3,419	33,887	23,117
Total number of weighted average ordinary shares in issue ('000)	158,653	158,653	158,653	158,653
Basic earnings per share (sen)	7.19	2.16	21.36	14.57

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 YEAR ENDED 30 JUNE 2022

14. Profit Before Tax

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

	Current Year Quarter 30.06.2022 RM'000	Corresponding Quarter 30.06.2021 RM'000	Current Year-To-Date 30.06.2022 RM'000	Corresponding Period 30.06.2021 RM'000
After charging :				
Interest expense	144	132	470	651
Depreciation and amortisation	945	923	3,687	3,773
Depreciation of right-of-use assets	1,417	1,858	5,035	6,646
Impairment loss for slow moving stock	-	563	-	2,364
Impairment loss on receivables	1,213	216	1	122
Realised foreign exchange loss	-	-	-	207
Unrealised foreign exchange loss	-	-	-	119
After crediting :				
Interest income	(567)	(586)	(1,669)	(1,579)
Gain on disposal of assets	(3)	-	(3)	(26)
Writeback of impairment loss on slow moving stock	(2,828)	-	(3,070)	-
Writeback of impairment loss on receivable	-	-	(1,031)	-
Realised foreign exchange gain	(151)	(1)	(258)	-
Unrealised foreign exchange gain	(162)	(33)	(249)	-

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 25 August 2022.