

## CHEETAH HOLDINGS BERHAD (430404 - H)

### INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2010

(The figures have not been audited )

#### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FOURTH QUARTER ENDED 30 JUNE 2010

	Current Year Quarter Ended 30-06-10 RM '000	Comparative Corresponding Quarter Ended 30-06-09 RM '000	12 Months Cumulative To Date 30-06-10 RM '000	Comparative 12 Months Cumulative To Date 30-06-09 RM '000
Revenue	24,351	23,526	127,442	118,563
Operating Expenses	(7,368)	(6,863)	(31,352)	(29,510)
Other Operating Expenses	(819)	(934)	(2,895)	(2,480)
Other Operating Income	(27)	94	2,422	539
Income from other investment	43	28	149	232
Finance Costs	186	(22)	(213)	(529)
<b>Profit Before Tax</b>	<b>2,200</b>	<b>2,497</b>	<b>18,381</b>	<b>16,562</b>
Income Tax Expenses	(671)	(296)	(4,212)	(3,911)
<b>Profit for the period</b>	<b>1,529</b>	<b>2,201</b>	<b>14,169</b>	<b>12,651</b>
<b>Attributable to :</b>				
<b>Equity Shareholders of the Company</b>	<b>1,529</b>	<b>2,201</b>	<b>14,169</b>	<b>12,651</b>
<b>Earnings Per Share (EPS) attributable to equity shareholders the Company</b>				
- Basic ( sen )	1.20	1.72	11.11	9.92
- Diluted ( sen )	1.20	1.71	11.02	9.81

The Condensed Consolidated Income Statements should be read in conjunction with the audited annual financial report for the year ended 30 June 2009

## CHEETAH HOLDINGS BERHAD (430404 - H)

### INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2010

(The figures have not been audited )

#### CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2010

	UNAUDITED As At 30-06-10 RM '000	AUDITED As At 30-06-09 RM '000
<b>ASSETS</b>		
Property, plant & equipment	22,374	21,407
Prepaid lease payments	2,568	2,602
Investment properties	689	701
	<u>25,631</u>	<u>24,710</u>
<b>Current Assets</b>		
Inventories	63,139	74,170
Trade receivables	21,656	21,137
Other receivables, deposits and prepayments	1,450	1,309
Short term deposits with financial institutions	8,030	2,355
Cash and bank balances	7,722	10,436
	<u>101,997</u>	<u>109,407</u>
Non-current asset classified as held for sale	-	2,883
<b>TOTAL ASSETS</b>	<u><u>127,628</u></u>	<u><u>137,000</u></u>
<b>EQUITY</b>		
Share Capital	63,810	63,795
Reserves	39,062	27,764
<b>Total Equity</b>	<u>102,872</u>	<u>91,559</u>
<b>Non-current Liabilities</b>		
Deferred Tax	767	432
Term Loan	2,255	3,503
	<u>3,022</u>	<u>3,935</u>
<b>Current Liabilities</b>		
Trade Payables	12,737	24,918
Other payables and accruals	2,710	2,966
Short term borrowings	6,220	12,881
Provision for taxation	67	741
	<u>21,734</u>	<u>41,506</u>
<b>Total Liabilities</b>	24,756	45,441
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>127,628</u></u>	<u><u>137,000</u></u>
Net Assets per share attributable to ordinary equity shareholders of the Company (RM)	0.81	0.72

The Condensed Consolidated Balance Sheet should be read in conjunction with the audited annual financial report for the year ended 30 June 2009

# CHEETAH HOLDINGS BERHAD (430404 - H)

## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2010 (The figures have not been audited )

### CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED 30 JUNE 2010

	Period Ended 30-06-10 RM '000	Period Ended 30-06-09 RM '000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation	18,381	16,562
Adjustment for :		
Amortisation of goodwill	-	-
Depreciation of property, plant & equipment	2,587	1,995
PPE written off	16	72
Amortisation of prepaid lease payment	-	33
Bad Debt Written Off	84	-
Impairment loss	-	232
Interest income	(149)	(232)
Interest expenses	213	529
(Gain)/Loss on disposal of property, plant & equipment	(2,171)	(195)
Unrealised gain in foreign exchange	-	-
Operating profit before changes in working capital	<u>18,961</u>	<u>18,996</u>
Changes in working capital :		
Net change in current assets	10,500	(15,545)
Net change in current liabilities	(12,437)	6,892
Interest paid	(213)	(529)
Taxation Paid	(4,765)	(3,838)
Net cash generated from/(used in) operating activities	<u>12,046</u>	<u>5,976</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(3,534)	(10,072)
Interest Income	149	232
Proceeds from disposal of property, plant & equipment	5,065	260
Net cash generated from/(used in) investing activities	<u>1,680</u>	<u>(9,580)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net repayment of term loan	-	2,724
Drawdown of short-term borrowings	(6,661)	1,847
Drawdown of long-term borrowings	(1,248)	-
Proceeds from issue of shares	15	-
Proceeds from disposal of property, plant & equipment	-	-
Shares issue expenses paid	-	-
Dividend Paid	(2,871)	(2,679)
Net cash generated from/(used in) financing activities	<u>(10,765)</u>	<u>1,892</u>
Net increase in cash and cash equivalents	2,961	(1,712)
Cash and cash equivalents at the beginning of the financial period	<u>12,791</u>	<u>14,503</u>
Cash and cash equivalents at the end of the financial period	<u>15,752</u>	<u>12,791</u>
Cash and cash equivalents comprise :-		
Short-term deposits with financial institutions	8,030	2,355
Cash and bank balances	<u>7,722</u>	<u>10,436</u>
	<u>15,752</u>	<u>12,791</u>

The Condensed Cash Flow Statement should be read in conjunction with the audited annual financial report for the year ended 30 June 2009

## CHEETAH HOLDINGS BERHAD (430404 - H)

### INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2010

(The figures have not been audited )

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2010

	Share Capital RM '000	← Non - Distributable → Share Premium RM '000	Reserve on Consolidation RM '000	Distributable Retained Profits RM '000	Total RM '000
<b><u>12 months ended 30 June 2010</u></b>					
As at 1 July 2009	63,795	-	-	27,764	91,559
Profits for the period	-	-	-	14,169	14,169
Dividend paid	-	-	-	(2,871)	(2,871)
Issue of shares pursuant to the exercise of ESOS	15	-	-	-	15
As at 30 June 2010	<u>63,810</u>	<u>-</u>	<u>-</u>	<u>39,062</u>	<u>102,872</u>
<b><u>12 months ended 30 June 2009</u></b>					
As at 1 July 2008 As previously stated	63,795	-	-	17,792	81,587
Profits for the period	-	-	-	12,651	12,651
Dividend paid	-	-	-	(2,679)	(2,679)
As at 30 June 2009	<u>63,795</u>	<u>-</u>	<u>-</u>	<u>27,764</u>	<u>91,559</u>

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited annual financial report for the year ended 30 June 2009

## **CHEETAH HOLDINGS BERHAD (430404-H)**

### **NOTES TO THE QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2010**

#### **PART A – EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARD (FRS) 134, INTERIM FINANCIAL REPORTING**

##### **1. Basis of Preparation and Consolidation**

The interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad.

The Group’s policy is to adopt the acquisition method of accounting as the basis of consolidation. Under the acquisition method of accounting, the results of subsidiary companies acquired are to be included in the consolidated income statements from the effective date of acquisition.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2009.

##### **2. Changes in Accounting Policies**

During the current financial period, the Group adopted Financial Reporting Standards (“FRS”) 8, Operating Segments issued by MASB that is relevant to their operations and effective for periods beginning on or after 1 July 2009.

The adoption of this FRS did not result in the changes to the Group’s accounting policies and does not have any material financial effect on the financial statements of the Group for the current and prior financial years.

At the date of the authorisation of these interim financial statements, the following FRSS, Amendments to FRS and Issue Committee Interpretations (“IC Int”) were issued but not yet effective and have not been applied by the Group:

FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to a cost of an investment in subsidiary, jointly controlled entity or associate)*
FRS 1	First-time Adoption of Financial Reporting Standards (revised in 2010)**
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to limited exemption from Comparative FRS Disclosures for First-time Adopters)***
FRS 2	Share Based Payment – Vesting Conditions and Cancellation*

FRS 2	Share Based Payment (Amendments relating to scope of FRS 2 and revised FRS 3)**
FRS 3	Business Combinations (revised in 2010)**
FRS 5	Non-current Asset Held for Sale and Discontinued Operations (Amendments relating to plan to sell the controlling interest in a subsidiary)**
FRS 7	Financial Instruments : Disclosures*
FRS 7	Financial Instruments : Disclosures (Amendments relating to reclassification of financial assets and reclassification of financial assets – effective date and transition)*
FRS 7	Financial Instruments : Disclosures (Amendments relating to improving disclosures about financial instruments)***
FRS 101	Presentation of Financial Statements (revised in 2009)*
FRS 123	Borrowing Costs (revised)*
FRS 127	Consolidated and Separate Financial Statements (Amendments to relating cost of an investment in a subsidiary, jointly controlled entity or associate)*
FRS 127	Consolidated and Separate Financial Statements (revised in 2010)**
FRS 132	Financial Instruments : Presentation (Amendments relating to Puttable Financial Instruments and Obligations Arising on Liquidation and transitional provision relating to compound instruments)*
FRS 132	Financial Instruments : Presentation (Amendments relating to classification of rights issue)****
FRS 138	Intangible Assets (Amendments relating to additional consequential amendments arising from FRS 3)*
FRS 139	Financial Instruments : Recognition and Measurement*
FRS 139	Financial Instruments : Recognition and Measurement (Amendments relating to eligible hedged items, reclassification of financial assets, reclassification of financial assets – effective date and transition, embedded derivatives and revised FRS 3 and revised FRS 127) *
IC Int 9	Reassessment of Embedded Derivatives*
IC Int 9	Reassessment of Embedded Derivatives (Amendments relating to embedded derivatives)*
IC Int 9	Reassessment of Embedded Derivatives (Amendments relating to scope of IC Int 9 and revised FRS 3)**
IC Int 10	Interim Financial Reporting and Impairment*
IC Int 11	FRS 2 – Group and Treasury Share Transactions*
IC Int 12	Service Concession Arrangements**
IC Int 13	Customer Loyalty Programmes*
IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
IC Int 15	Agreements for the Construction of Real Estate**
IC Int 16	Hedges of a Net Investment in Foreign Operation**
IC Int 17	Distributions of Non-cash Assets to Owners**

- \* Effective for annual periods beginning on or after 1 January 2010
- \*\* Effective for annual periods beginning on or after 1 July 2010
- \*\*\* Effective for annual periods beginning on or after 1 January 2011
- \*\*\*\* Effective for annual periods beginning on or after 1 March 2010

The adoption of the above FRSs and Interpretations upon their effective dates are not expected to have significant impact on the interim financial statements of the Group. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.

**3. Preceding Audited Financial Statements**

The audited financial statements of the Group for the preceding year ended 30 June 2009 were not qualified.

**4. Seasonal or Cyclical Factors**

The Group's business operation is mainly in product designing, product development, marketing and retailing of sports apparel and accessories and casual wear under its own brand names. It is subject to seasonal or cyclical factors where local festivals, school holidays and carnival sales will generally have an impact on its performance.

**5. Items of Unusual Nature**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flow of the Group for the quarter or the financial period-to-date.

**6. Changes In Estimates**

There were no changes in estimates of amounts reported in prior interim periods of the current or previous financial years which have any material effect in the current interim period.

**7. Changes in Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares or resale of treasury shares during the current quarter under review.

**8. Dividend**

There was no dividend paid during the current quarter under review.

**9. Segmental Information**

The Group is principally engaged in product designing, product development, marketing and retailing of sports apparel and accessories and casual wear under its own brand names. Hence, segmental information is not presented as there are no significant business segments other than the retailing business.

**10. Valuation of Property, Plant and Equipment**

The property, plant and equipment are carried at cost less accumulated depreciation and no valuation is done for the financial year ended 30 June 2009.

**11. Subsequent Events**

There is no material event subsequent to the end of the current quarter, which has not been reflected in the financial statements for the current period.

**12. Changes In The Composition of The Group**

There were no changes in the composition of the Group during the quarter under review including business composition, acquisition or disposal of any subsidiaries or long term investments, restructuring or discontinued operations.



## **CHEETAH HOLDINGS BERHAD (430404-H)**

### **NOTES TO THE QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2010**

#### **PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**

##### **1. Review of Performance of the Group**

The Group recorded a revenue of RM24.35 million for the current quarter under review, an increase of RM 0.82 million as compared to RM23.53 million posted in the corresponding quarter of last year.

The Group's Profit Before Tax decreased from RM2.50 million to RM2.20 million as compared to the previous corresponding quarter.

For the financial year ended 30 June 2010, the revenue growth was RM 8.88 million or 7.49 % as compared to previous year. Profit After Tax for the current financial year of RM 14.17 after netting gain on sale of property of RM 2.01 million was RM12.16 million as compared to RM12.65 million in the previous year.

##### **2. Material Changes in the Profit Before Tax As Compared to the Immediate Preceding Quarter**

For the current quarter ended 30 June 2010, the Group posted a Profit Before Tax of RM 2.20 million, which is RM1.46 million or 39.89% lower than that of the immediate preceding quarter of RM 3.66 million.

The decrease in Profit Before Tax was in tandem with the decrease in revenue during the current quarter under review. Higher revenue in the immediate preceding quarter was due to the Chinese New Year season. The Group's business is subject to major festive seasonal fluctuations in the domestic retail market.

##### **3. Prospects**

We expect the local retail market to remain challenging and competitive for the next financial year.

However, barring any unforeseen circumstances, the Board of Directors is confident that the Group will continue to register growth in the next financial year.

##### **4. Variance from Profit Forecast and Profit Guarantee**

Not applicable.

5. **Taxation**

The breakdown of taxation is as follows :-

	<b>Current Quarter</b>	<b>Year – to –Date</b>
	RM'000	RM'000
Current quarter taxation	1,489	5,051
Overprovision in prior periods	(354)	(375)
Deferred Tax	(464)	(464)
	<b>671</b>	<b>4,212</b>

6. **Sales of Unquoted Investments and/or properties**

There were no sales of unquoted investment and /or properties during the current quarter under review.

7. **Quoted Securities**

There were no purchases and disposals of quoted securities for the current quarter.

8. **Status of Corporate Proposals**

There were no corporate proposals announced but not completed as at the date of this quarterly report.

9. **Group Borrowings and Debt Securities**

The Group's borrowings as at the end of the current quarter are as follows:-

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	RM'000	RM'000	RM'000
Short-term borrowing	1,654	4,565	6,219
Long-term borrowing	2,255	-	2,255
	<b>3,909</b>	<b>4,565</b>	<b>8,474</b>

There was no debt securities issued in the quarter ended 30 June 2010.

#### 10. Financial Instruments With off Balance Sheet Risks

There are no financial instruments with off balance sheet risks as at the date of this quarterly report.

#### 11. Material Litigation

There is no litigation of a material nature involving the Group as at the date of this quarterly report.

#### 12. Proposed Dividend

The Board of Directors has recommended a first and final dividend of 3.35 sen per ordinary share less income tax in respect of the financial year ended 30 June 2010 which is subject to the shareholders' approval at the forthcoming Annual General Meeting. The closure of books to determine shareholders' entitlement and the payment date of the final dividend will be announced at a later date.

#### 13. Earnings Per Share

##### (i) Basic Earnings Per Share

The basic earnings per share of the Group is calculated by dividing the net profit attributable to shareholders for the period by the weighted average number of ordinary shares in issue during the period.

	<b>Current Year Quarter Ended 30/06/2010</b>	<b>Preceding Year Corresponding Quarter 30/06/2009</b>
Net profit attributable to shareholders (RM '000)	1,529	2,201
<i>Weighted average number of ordinary shares of RM 0.50 each in issue ('000)</i>	=====	====
Weighted average number of ordinary shares In issue	127,606	127,589
Shares repurchased		
	----- 127,606 =====	----- 127,589 =====
Basic earnings per share (sen)	1.20	1.72

## (ii) Diluted Earnings Per Share

The diluted earnings per share of the Group has been calculated by dividing the net profit attributable to shareholders for the period by the weighted average number of ordinary shares in issue during the period.

	<b>Current Year Quarter Ended 30/06/2010</b>	<b>Preceding Year Corresponding Quarter 30/06/2009</b>
Net profit attributable to shareholders (RM '000)	1,529 <u>=====</u>	2,201 <u>=====</u>
<i>Weighted average number of ordinary shares Of RM 0.50 each in issue ('000)</i>		
Weighted average number of ordinary shares in issue (basic)	127,606	127,589
Shares repurchased	-	-
Effect of unexercised ESOS	-	1,447
	<u>-----</u> 127,606 <u>=====</u>	<u>-----</u> 129,036 <u>=====</u>
Diluted earnings per share (sen)	1.20	1.71