

CHEETAH HOLDINGS BERHAD (430404 - H)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2013 (The figures have not been audited)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 30 JUNE 2013

	Current Year Quarter Ended 30-06-13 RM '000	Comparative Corresponding Quarter Ended 30/06/2012 RM '000	12 Months Cumulative To Date 30-06-13 RM '000	Comparative 12 Months Cumulative To Date 30-06-12 RM '000
Revenue	25,734	27,397	127,339	126,339
Operating Expenses	(9,457)	(7,956)	(37,028)	(33,835)
Other Operating Expenses	(848)	(893)	(3,316)	(3,230)
Other Operating Income	6	79	171	485
Income from Other Investment	665	289	974	514
Finance Costs	(87)	(94)	(222)	(286)
Profit Before Tax	2,951	4,003	12,926	14,706
Income Tax Expenses	(897)	(1,182)	(3,409)	(3,843)
Profit for the period	2,054	2,821	9,517	10,863
Attributable to :				
Equity Shareholders of the Company	2,054	2,821	9,517	10,863
Earnings Per Share (EPS) attributable to equity shareholders the Company				
- Basic (sen)	1.67	2.22	7.73	8.52
- Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the audited annual financial report for the year ended 30 June 2012

CHEETAH HOLDINGS BERHAD (430404 - H)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
FOURTH QUARTER ENDED 30 JUNE 2013****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	UNAUDITED As At 30-06-13 RM '000	AUDITED As At 30/06/2012 RM '000
ASSETS		
Property, plant and equipment	20,617	21,015
Prepaid lease payments	2,469	2,502
Investment properties	38	40
Deferred tax assets	-	-
	<u>23,124</u>	<u>23,557</u>
Current assets		
Inventories	76,617	77,356
Trade receivables	21,994	23,305
Other receivables, deposits and prepayments	859	901
Tax recoverable	399	317
Short term deposits with financial institutions	32,908	20,189
Cash and bank balances	5,890	5,725
	<u>138,667</u>	<u>127,793</u>
TOTAL ASSETS	<u><u>161,791</u></u>	<u><u>151,350</u></u>
EQUITY		
Share capital	63,810	63,810
Treasury Shares	(2,671)	(896)
Reserves	62,513	55,330
Total Equity	<u>123,652</u>	<u>118,244</u>
Non-current Liabilities		
Deferred tax	1,320	1,442
Term loan	-	-
	<u>1,320</u>	<u>1,442</u>
Current Liabilities		
Trade payables	28,421	22,388
Other payables and accruals	1,355	1,328
Short term borrowings	6,424	7,615
Provision for taxation	619	333
	<u>36,819</u>	<u>31,664</u>
Total Liabilities	38,139	33,106
TOTAL EQUITY AND LIABILITIES	<u><u>161,791</u></u>	<u><u>151,350</u></u>
Net Assets per share attributable to ordinary equity shareholders of the Company (RM)	1.01	0.93

The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the audited annual financial report for the year ended 30 June 2012

CHEETAH HOLDINGS BERHAD (430404 - H)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FOURTH QUARTER ENDED 30 JUNE 2013

	Period Ended 30-06-13 RM '000	Period Ended 30-06-12 RM '000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	12,926	14,706
Adjustment for :		
Depreciation of property, plant & equipment	3,017	2,944
Property, plant & equipment written off	55	36
Investment properties	2	3
Inventories written off	1,545	2,130
Amortisation of prepaid lease payment	33	33
Allowance for doubtful debts	90	-
Impairment loss	-	-
Interest income	(974)	(514)
Interest expenses	222	286
Gain on disposal of property, plant & equipment	-	(194)
Unrealised gain in foreign exchange	(63)	(43)
Operating profit before changes in working capital	<u>16,853</u>	<u>19,387</u>
Changes in working capital :		
(Increase)/decrease of inventories	(806)	5,918
(Increase)/decrease of receivables	1,221	(153)
(Increase)/decrease of other receivables and prepaid expenses	42	(38)
(Decrease)/ increase in payable	6,096	(11,796)
(Decrease)/ increase in other payable and accrued expenses	27	16
Interest paid	(222)	(286)
Tax refund	26	281
Taxation paid	(3,354)	(3,713)
Net cash from operating activities	<u>19,883</u>	<u>9,616</u>
CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,674)	(2,993)
Interest income	974	514
Proceeds from disposal of property, plant & equipment	-	839
Net cash used in investing activities	<u>(1,700)</u>	<u>(1,640)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Net repayment of term loan	(627)	(1,682)
Repayment of short-term borrowings	(563)	(1,929)
Dividend Paid	(2,334)	(2,584)
Purchase of treasury shares	(1,775)	(896)
Net cash used in financing activities	<u>(5,299)</u>	<u>(7,091)</u>
Net increase/ (decrease) in cash and cash equivalents	12,884	5,725
Cash and cash equivalents at the beginning of the financial period	<u>25,914</u>	<u>20,189</u>
Cash and cash equivalents at the end of the financial period	<u>38,798</u>	<u>25,914</u>
Cash and cash equivalents comprise :-		
Short-term deposits with financial institutions	32,908	20,189
Cash and bank balances	5,890	5,725
	<u>38,798</u>	<u>25,914</u>

The Condensed Cash Flow Statement should be read in conjunction with the audited annual financial report for the year ended 30 June 2012

CHEETAH HOLDINGS BERHAD (430404 - H)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
FOURTH QUARTER ENDED 30 JUNE 2013**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2013**

	Share Capital RM '000	Treasury Shares RM '000	Non - Distributable Capital Reserve RM '000	Distributable Retained Profits RM '000	Total RM '000
<u>12 months ended 30 June 2013</u>					
As at 1 July 2012	63,810	(896)	1,264	54,066	118,244
Total comprehensive income for the year	-	-	-	9,517	9,517
Dividend paid	-	-	-	(2,334)	(2,334)
Shares bought-back held as treasury shares	-	(1,775)	-	-	(1,775)
As at 30 June 2013	<u>63,810</u>	<u>(2,671)</u>	<u>1,264</u>	<u>61,249</u>	<u>123,652</u>
<u>12 months ended 30 June 2012</u>					
As at 1 July 2011	63,810	-	1,264	45,787	110,861
Total comprehensive income for the year	-	-	-	10,863	10,863
Dividend paid	-	-	-	(2,584)	(2,584)
Shares bought-back held as treasury shares	-	(896)	-	-	(896)
As at 30 June 2012	<u>63,810</u>	<u>(896)</u>	<u>1,264</u>	<u>54,066</u>	<u>118,244</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 2012

CHEETAH HOLDINGS BERHAD (430404-H)

**NOTES TO THE QUARTERLY REPORT ON THE CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2013**

**PART A –PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS
134 -INTERIM FINANCIAL REPORTING**

A1. Basis of Preparation and Consolidation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 and Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2012. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2012.

For the periods up to and including the year ended 30 June 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”). The Group has adopted the MFRS Framework issued by the Malaysian Accounting Standards Board (“MASB”) with effect from 1 July 2012. This MFRS Framework was introduced by the MASB in order to fully converge Malaysia’s existing FRS Framework with the International Financial Reporting Standards (“IFRS”) Framework issued by the International Accounting Standards Board.

These interim financial statements are the Group’s first MFRS compliant interim financial statements and hence MFRS 1: First-Time Adoption of MFRS has been applied. The adoption of the MFRS does not have significant financial impact on the interim financial statements of the Group.

A2. Preceding Audited Financial Statements

The audited financial statements of the Group for the preceding year ended 30 June 2012 were not qualified.

A3. 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.

A4. 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.

A5. 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.

A6. Changes in Debt and Equity Securities

There were no issuance and repayment of debt and equity securities during the quarter under review.

A7. Dividend

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

A8. 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.

A9. 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 2013.

A10. 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.

A.11 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 2013**

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

B1. Review of Performance of the Group

The Group recorded a revenue of RM25.73 million for the current quarter under review, a decrease of RM1.67 million in revenue as compared to RM27.40 million recorded in previous corresponding quarter.

Profit before taxation for the current quarter decreased from RM4.00 million to RM2.95 million as compared to previous corresponding quarter. The decrease was due to higher operating costs.

The cumulative revenue for the year ended 30 June 2013 was RM127.34 million, RM1.00 million or 0.79% higher than that of the cumulative revenue of RM126.34 million in the previous corresponding twelve month period. The slight increase in revenue is mainly due to additional point of sales.

The cumulative Profit Before Tax for the year ended 30 June 2013 was RM12.93 million, RM1.78 million or 12.10% lower than that of the cumulative Profit Before Tax of RM14.71 million in previous corresponding twelve month period. The decrease was due to higher operating costs, in particular the introduction of minimum wage with effect from 1 January 2013.

B2. Material Changes in the Profit Before Tax As Compared to the Immediate Preceding Quarter

The comparison of this quarter's with the preceding quarter is set out below.

	Current Quarter	Preceding Quarter	Variance
Period ended	30.06.2013	31.03.2013	
	(RM'000)	(RM'000)	(RM'000)
Revenue	25,734	31,192	(5,458)
Profit Before Tax	2,951	1,166	1,785

Revenue for current quarter was RM25.73 million, which is RM5.46 million or 17.51% lower than that of the immediate preceding quarter of RM31.19 million. The higher revenue in the immediate preceding quarter was due to Chinese New Year Festive Sales.

For the current quarter ended 30 June 2013, the Group posted a Profit Before Tax of RM2.95 million, which is RM1.78 million or 152.14 % higher than that of the immediate preceding quarter of RM1.17 million. The increase in the profit before tax was mainly attributed to provision of stock no longer required.

B3. Prospects

Economy being uncertain and coupled with the country's slower GDP growth and increasing operating cost, we foresee the local retail market being even more competitive in the next financial year. However, we shall tread cautiously and be more attentive to the market environment in our efforts to expand our business.

In this respect, additional initiatives will be carried out to enhance our branding with promotional activities in order to improve sales revenue while achieving cost efficiency.

Based on the above, barring unforeseen circumstances, the Board of Directors expects the Group to achieve satisfactory performance in the next financial year.

B4. Variance from Profit Forecast and Profit Guarantee

Not applicable.

B5. Taxation

The breakdown of taxation is as follows:-

	Current Quarter	Year – to –Date
	RM'000	RM'000
Current quarter taxation	897	3,409
Total	897	3,409

Income tax is calculated at the statutory rate of 25% of the taxable profit for the period.

B6. Status of Corporate Proposals

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

B7. Details of treasury shares

As at the end of the reporting period, the status of share buy-back is as follows:-

	Current Quarter	Accumulated Total
Description of shares purchased	Ordinary Share	Ordinary Share
Number of shares purchased	-	5,533,000
Number of shares cancelled	-	-
Number of shares held as treasury shares	-	5,533,000
Number of treasury shares resold	-	-

B8. Group Borrowings and Debt Securities

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

	Secured RM'000	Unsecured RM'000	Total RM'000
Short-term borrowings	-	6,424	6,424
Long-term borrowing	-	-	-
	-	6,424	6,424

There was no debt securities issued in the quarter ended 30 June 2013.

B9. Material Litigation

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

B10. Proposed Dividend

The Board of Directors has recommended a first and final dividend of 2.35 sen per ordinary share of RM0.50 each less income tax at 25% in respect of the financial year ended 30 June 2013 which is subject to shareholders' approval at the forthcoming Annual General Meeting. The closure of books to determine shareholders' entitlement and the payment date of the first and final dividend will be announced at a later date.

B11. 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.

	Current Year Quarter Ended 30/06/2013	Preceding Year Corresponding Quarter 30/06/2012
Net profit attributable to shareholders (RM '000)	2,054	1,073
<i>Weighted average number of ordinary shares of RM 0.50 each in issue ('000)</i>		
Weighted average number of ordinary shares ('000)	123,078	127,621
	-----	-----
Basic earnings per share (sen)	1.67	0.84
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B12. Realised And Unrealised Retained Earnings

	Group as at 30/06/2013 (RM'000)
Total retained earnings	
- Realised	105,314
- Unrealised	(1,257)
Less: consolidation adjustments	(41,544)
Total group reserves as per consolidated accounts	62,513

B13. Profit Before Taxation

	Current Year Quarter Ended 30.06.2013 RM'000	12 Months Cumulative to Date 30.06.2013 RM'000
Profit Before Tax is arrived after charging /(crediting):-		
Amortisation of prepaid Lease Payment	8	33
Depreciation of Property, Plant and Equipment	751	3,017
Net Gain on Disposal of Property , Plant & Equipment	-	-
Provision for Bad Debt	-	-
Provision for Stock Written Off	-	-
Interest Income	(665)	(974)
Interest Expenses	87	222