

## CHEETAH HOLDINGS BERHAD (430404 - H)

### INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

(The figures have not been audited )

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

	Current Year Quarter Ended 30/9/2013 RM '000	Comparative Corresponding Quarter Ended 30/9/2012 RM '000	3 Months Cumulative To Date 30/9/2013 RM '000	Comparative 3 Months Cumulative To Date 30/9/2012 RM '000
Revenue	35,699	39,324	35,699	39,324
Operating Expenses	(9,753)	(8,832)	(9,753)	(8,832)
Other Operating Expenses	(820)	(853)	(820)	(853)
Other Operating Income	205	59	205	59
Income from Other Investment	152	101	152	101
Finance Costs	(29)	(25)	(29)	(25)
<b>Profit Before Tax</b>	<b>3,938</b>	<b>5,292</b>	<b>3,938</b>	<b>5,292</b>
Income Tax Expenses	(970)	(1,323)	(970)	(1,323)
<b>Profit for the period</b>	<b>2,968</b>	<b>3,969</b>	<b>2,968</b>	<b>3,969</b>
<b>Attributable to :</b>				
Equity Shareholders of the Company	2,968	3,969	2,968	3,969
<b>Earnings Per Share (EPS) attributable to equity shareholders the Company</b>				
- Basic ( sen )	2.43	3.17	2.43	3.17
- 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 2013

## CHEETAH HOLDINGS BERHAD (430404 - H)

### INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

(The figures have not been audited )

#### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED As At 30/9/2013 RM '000	AUDITED As At 30/06/2013 RM '000
<b>ASSETS</b>		
Property, plant and equipment	20,588	20,617
Prepaid lease payments	2,461	2,469
Investment properties	37	38
Deferred tax assets	-	-
	23,086	23,124
<b>Current assets</b>		
Inventories	76,296	76,617
Trade receivables	28,137	21,994
Other receivables, deposits and prepayments	988	859
Tax recoverable	270	399
Short term deposits with financial institutions	22,357	32,908
Cash and bank balances	9,850	5,889
	137,898	138,666
<b>TOTAL ASSETS</b>	<b>160,984</b>	<b>161,790</b>
<b>EQUITY</b>		
Share capital	63,810	63,810
Treasury Shares	(2,671)	(2,671)
Reserves	65,480	62,512
<b>Total Equity</b>	<b>126,619</b>	<b>123,651</b>
<b>Non-current Liabilities</b>		
Deferred tax	1,320	1,320
Term loan	-	-
	1,320	1,320
<b>Current Liabilities</b>		
Trade payables	23,668	28,421
Other payables and accruals	1,655	1,355
Hire Purchase Creditor	354	-
Short term borrowings	6,549	6,424
Provision for taxation	819	619
	33,045	36,819
<b>Total Liabilities</b>	34,365	38,139
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>160,984</b>	<b>161,790</b>
Net Assets per share attributable to ordinary equity shareholders of the Company (RM)	1.04	1.01

The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the audited annual financial report for the year ended 30 June 2013

# CHEETAH HOLDINGS BERHAD (430404 - H)

## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

(The figures have not been audited )

### CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

	Period Ended 30/9/2013 RM '000	Period Ended 30/9/2012 RM '000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	3,938	5,292
Adjustment for :		
Amortisation of goodwill	-	-
Depreciation of property, plant & equipment	772	759
PPE written off	2	39
Investment properties	1	1
Inventories written off		
Amortisation of prepaid lease payment	8	8
Allowance for doubtful debts	-	-
Bad Debt Written Off	-	-
Interest income	(152)	(101)
Interest expenses	29	25
Gain on disposal of property, plant & equipment	(185)	-
Unrealised gain in foreign exchange	-	-
Operating profit before changes in working capital	<u>4,413</u>	<u>6,023</u>
Changes in working capital :		
(Increase)/decrease of inventories	321	16,556
(Increase)/decrease of receivables	(6,143)	(9,145)
(Increase)/decrease of other receivables and prepaid expenses	(129)	(153)
(Decrease)/ increase in payable	(4,753)	(14,173)
(Decrease)/ increase in other payable and accrued expenses	300	7
Interest paid	(29)	(25)
Tax refund	-	-
Taxation paid	(641)	(747)
Net cash from operating activities	<u>(6,661)</u>	<u>(1,657)</u>
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(745)	(471)
Interest income	152	101
Proceeds from disposal of property, plant & equipment	185	-
Net cash used in investing activities	<u>(408)</u>	<u>(370)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net repayment of term loan	-	-
Drawdown / (Repayment) of short-term borrowings	125	(1,061)
Drawdown / (Repayment) of hire purchase obligations	354	-
Purchase of treasury shares	-	(98)
Net cash from / (used in) financing activities	<u>479</u>	<u>(1,159)</u>
Net increase/ (decrease) in cash and cash equivalents	(6,590)	(3,186)
Cash and cash equivalents at the beginning of the financial period	38,797	25,914
Cash and cash equivalents at the end of the financial period	<u>32,207</u>	<u>22,728</u>
Cash and cash equivalents comprise :-		
Short-term deposits with financial institutions	22,357	17,602
Cash and bank balances	9,850	5,126
	<u>32,207</u>	<u>22,728</u>

The Condensed Cash Flow Statement should be read in conjunction with the audited annual financial report for the year ended 30 June 2013

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

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST QUARTER ENDED 30 SEPTEMBER 2013**

(The figures have not been audited )

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

	Share Capital RM '000	Treasury Shares RM '000	Non - Distributable Capital Reserve RM '000	Distributable Retained Profits RM '000	Total RM '000
<b><u>3 months ended 30 September 2013</u></b>					
As at 1 July 2013	63,810	(2,671)	1,264	61,248	123,651
Total comprehensive income for the year	-	-	-	2,968	2,968
Shares bought-back held as treasury shares	-	-	-	-	-
As at 30 September 2013	<u>63,810</u>	<u>(2,671)</u>	<u>1,264</u>	<u>64,216</u>	<u>126,619</u>
<b><u>3 months ended 30 September 2012</u></b>					
As at 1 July 2012	63,810	(896)	1,264	54,066	118,244
Total comprehensive income for the year	-	-	-	3,969	3,969
Shares bought-back held as treasury shares	-	(98)	-	-	(98)
As at 30 September 2012	<u>63,810</u>	<u>(994)</u>	<u>1,264</u>	<u>58,035</u>	<u>122,115</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 2013

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

**NOTES TO THE QUARTERLY REPORT ON THE CONSOLIDATED RESULTS  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 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 2013. 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 2013.

For the periods up to and including the year ended 30 June 2013, 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 2013 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 FIRST QUARTER ENDED 30 SEPTEMBER 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 RM35.70 million for the current quarter under review, a decrease of RM3.62 million or 9.21% as compared to RM39.32 million recorded in the previous year corresponding quarter.

Profit before taxation for the current quarter decreased from RM5.29 million to RM3.94 million as compared to the previous year corresponding quarter. The decrease in profit before tax was mainly due to higher operating costs coupled with lower revenue.

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

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

	<b>Current Quarter</b>	<b>Preceding Quarter</b>	<b>Variance</b>
Period ended	30.09.2013	30.06.2013	
	(RM'000)	(RM'000)	(RM'000)
Revenue	35,699	25,734	9,965
Profit Before Tax	3,938	2,951	987

Revenue for current quarter was RM35.70 million, which is RM9.97 million or 38.75% higher than that of the immediate preceding quarter of RM25.73 million due to Hari Raya Sales captured in this current quarter.

Profit before taxation for the current quarter increased from RM2.95 million to RM3.94 million as compared to immediate preceding quarter. The increase in profit before tax was in tandem with the increase in sales in current quarter under review.

**B3. Prospects**

The retail apparel industry has been getting very much more competitive in recent years, with more competitors, both local and foreign entering the market.

We have taken the necessary action and formulated our own marketing and promotional strategies, including adjusting our product mix and pricing, offering discounts to better position our brands and to create better value-for-money and hence, better demand for our products.

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

**B4. Variance from Profit Forecast and Profit Guarantee**

Not applicable.

**B5. Taxation**

The breakdown of taxation is as follows:-

	<b>Current Quarter</b>	<b>Year – to –Date</b>
	RM'000	RM'000
Current quarter taxation	970	970
<b>Total</b>	<b>970</b>	<b>970</b>

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:-

	<b>Current Quarter</b>	<b>Accumulated Total</b>
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:-

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Short-term borrowings	-	6,549	6,549
Long-term borrowing	-	-	-
	-	<b>6,549</b>	<b>6,549</b>

There was no debt securities issued in the quarter ended 30 September 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**

No interim dividend has been declared for the current quarter under review.

**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.

	<b>Current Year Quarter Ended 30/09/2013</b>	<b>Preceding Year Corresponding Quarter 30/09/2012</b>
Net profit attributable to shareholders (RM '000)	2,968	3,969
<i>Weighted average number of ordinary shares of RM 0.50 each in issue ('000)</i>		
Weighted average number of ordinary shares ('000)	122,088	125,370
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Basic earnings per share (sen)	2.43	3.17
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**B12. Realised And Unrealised Retained Earnings**

	Group as at 30/09/2013 (RM'000)
Total retained earnings	
- Realised	108,495
- Unrealised	(1,320)
Less: consolidation adjustments	(41,695)
Total group reserves as per consolidated accounts	<b>65,480</b>

**B13. Profit Before Taxation**

	Current Year Quarter Ended 30.09.2013 RM'000	3 Months Cumulative to Date 30.09.2013 RM'000
Profit Before Tax is arrived after charging /(crediting):-		
Amortisation of prepaid Lease Payment	8	8
Depreciation of Property, Plant and Equipment	772	772
Net Gain on Disposal of Property , Plant & Equipment	185	185
Provision for Bad Debt	-	-
Interest Income	(152)	(152)
Interest Expenses	29	29