

CHEETAH HOLDINGS BERHAD (430404 - H)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
THIRD QUARTER ENDED 31 MARCH 2014**
(The figures have not been audited)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 MARCH 2014**

| | Current Year Quarter Ended 31/3/2014 RM '000 | Comparative Corresponding Quarter Ended 31/3/2013 RM '000 | 9 Months Cumulative To Date 31/3/2014 RM '000 | Comparative 9 Months Cumulative To Date 31/3/2013 RM '000 |
|---|---|--|--|--|
| Revenue | 31,759 | 31,192 | 99,848 | 101,605 |
| Operating Expenses | (11,714) | (10,917) | (30,480) | (27,571) |
| Other Operating Expenses | (921) | (812) | (2,686) | (2,468) |
| Other Operating Income | 255 | 45 | 615 | 165 |
| Income from Other Investment | 386 | 111 | 688 | 309 |
| Finance Costs | (77) | (54) | (164) | (135) |
| Profit Before Tax | 1,619 | 1,166 | 8,808 | 9,975 |
| Income Tax Expenses | (402) | (300) | (2,214) | (2,512) |
| Profit for the period | 1,217 | 866 | 6,594 | 7,463 |
| Attributable to : | | | | |
| Equity Shareholders of the Company | 1,217 | 866 | 6,594 | 7,463 |
| Earnings Per Share (EPS) attributable to equity shareholders the Company | | | | |
| - Basic (sen) | 1.00 | 0.69 | 5.40 | 5.97 |
| - 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
THIRD QUARTER ENDED 31 MARCH 2014**

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | UNAUDITED As At 31/3/2014 RM '000 | AUDITED As At 30/06/2013 RM '000 |
|---|--|---|
| ASSETS | | |
| Property, plant and equipment | 21,128 | 20,617 |
| Prepaid lease payments | 2,444 | 2,469 |
| Investment properties | 35 | 38 |
| Deferred tax assets | - | - |
| | 23,607 | 23,124 |
| Current assets | | |
| Inventories | 86,961 | 76,617 |
| Trade receivables | 23,475 | 21,994 |
| Other receivables, deposits and prepayments | 821 | 859 |
| Tax recoverable | 237 | 399 |
| Short term deposits with financial institutions | 21,193 | 32,908 |
| Cash and bank balances | 5,114 | 5,889 |
| | 137,801 | 138,666 |
| TOTAL ASSETS | 161,408 | 161,790 |
| EQUITY | | |
| Share capital | 63,810 | 63,810 |
| Treasury Shares | (2,857) | (2,671) |
| Reserves | 66,954 | 62,512 |
| Total Equity | 127,907 | 123,651 |
| Non-current Liabilities | | |
| Deferred tax | 1,320 | 1,320 |
| Term loan | - | - |
| | 1,320 | 1,320 |
| Current Liabilities | | |
| Trade payables | 23,074 | 28,421 |
| Other payables and accruals | 970 | 1,355 |
| Hire Purchase Creditor | 317 | - |
| Short term borrowings | 7,560 | 6,424 |
| Provision for taxation | 260 | 619 |
| | 32,181 | 36,819 |
| Total Liabilities | 33,501 | 38,139 |
| TOTAL EQUITY AND LIABILITIES | 161,408 | 161,790 |
| Net Assets per share attributable to ordinary equity shareholders of the Company (RM) | 1.05 | 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 THIRD QUARTER ENDED 31 MARCH 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED 31 MARCH 2014

| | Period Ended 31/3/2014 RM '000 | Period Ended 31/3/2013 RM '000 |
|--|--------------------------------------|--------------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax | 8,808 | 9,975 |
| Adjustment for : | | |
| Amortisation of goodwill | | - |
| Depreciation of ; | | |
| Property, plant & equipment | 2,315 | 2,266 |
| Investment properties | 3 | 2 |
| Property, plant & equipment written off | 255 | 41 |
| Amortisation of prepaid lease payment | 25 | 25 |
| Interest income | (688) | (309) |
| Interest expenses | 164 | 135 |
| Gain on disposal of property, plant & equipment | (405) | - |
| Operating profit before changes in working capital | <u>10,477</u> | <u>12,135</u> |
| Changes in working capital : | | |
| (Increase)/decrease in inventories | (10,344) | 21,771 |
| (Increase)/decrease in receivables | (1,481) | (2,532) |
| (Increase)/decrease in other receivables and prepaid expenses | 38 | (7,406) |
| (Decrease)/ increase in payables | (5,347) | (14,660) |
| (Decrease)/ increase in other payable and accrued expenses | (385) | (135) |
| Interest paid | (164) | (135) |
| Tax refund | - | - |
| Taxation paid | (2,410) | (2,598) |
| Net cash from operating activities | <u>(9,616)</u> | <u>6,440</u> |
| CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (3,082) | (1,755) |
| Interest income | 688 | 309 |
| Proceeds from disposal of property, plant & equipment | 405 | - |
| Net cash used in investing activities | <u>(1,989)</u> | <u>(1,446)</u> |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Drawdown / (Repayment) of short-term borrowings | 1,136 | (3,437) |
| Drawdown / (Repayment) of hire purchase obligations | 317 | - |
| Dividend Paid | (2,152) | (2,334) |
| Purchase of treasury shares | (186) | (1,775) |
| Net cash used in financing activities | <u>(885)</u> | <u>(7,546)</u> |
| Net decrease in cash and cash equivalents | (12,490) | (2,552) |
| Cash and cash equivalents at the beginning of the financial period | <u>38,797</u> | <u>25,914</u> |
| Cash and cash equivalents at the end of the financial period | <u>26,307</u> | <u>23,362</u> |
| Cash and cash equivalents comprise :- | | |
| Short-term deposits with financial institutions | 21,193 | 15,723 |
| Cash and bank balances | 5,114 | 7,639 |
| | <u>26,307</u> | <u>23,362</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
THIRD QUARTER ENDED 31 MARCH 2014**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2014**

| | Share Capital RM '000 | Treasury Shares RM '000 | Non - Distributable Capital Reserve RM '000 | Distributable Retained Earnings RM '000 | Total RM '000 |
|--|-----------------------------|-------------------------------|--|--|------------------|
| 9 months ended 31 March 2014 | | | | | |
| As at 1 July 2013 | 63,810 | (2,671) | 1,264 | 61,248 | 123,651 |
| Total comprehensive income for the year | - | - | - | 6,594 | 6,594 |
| Dividend paid | - | - | - | (2,152) | (2,152) |
| Shares bought-back held as treasury shares | - | (186) | - | - | (186) |
| As at 31 March 2014 | <u>63,810</u> | <u>(2,857)</u> | <u>1,264</u> | <u>65,690</u> | <u>127,907</u> |
| 9 months ended 31 March 2013 | | | | | |
| As at 1 July 2012 | 63,810 | (896) | 1,264 | 54,066 | 118,244 |
| Total comprehensive income for the year | - | - | - | 7,463 | 7,463 |
| Shares bought-back held as treasury shares | - | (1,775) | - | - | (1,775) |
| Dividend paid | - | - | - | (2,334) | (2,334) |
| As at 31 March 2013 | <u>63,810</u> | <u>(2,671)</u> | <u>1,264</u> | <u>59,195</u> | <u>121,598</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 THIRD QUARTER ENDED 31 MARCH 2014**

**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.

The interim financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia.

Application of new and revised Malaysian Financial Reporting Standards

In the current financial period ended 31 December 2013, the Group have applied all the new and revised MFRSs and Issues Committee Interpretations (“IC Interpretations”) and amendments to MFRSs and IC Interpretations issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatorily effective for annual financial periods beginning on or after 1 July 2013.

MFRS 3 Business Combinations

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

MFRS 119 Employee Benefits (revised)

MFRS 127 Consolidated and Separate Financial Statements (revised)

MFRS 128 Investments in Associates and Joint Ventures (revised)

Amendments to MFRS 1 First-time Adoption of MFRS - Government Loans

Amendments to MFRS 7 Financial Instruments: Disclosure – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10 Consolidated Financial Statements: Transition Guidance

Amendments to MFRS 11 Joint Arrangements: Transition Guidance

Amendments to MFRS 12 Disclosure of Interests in Other Entities: Transition Guidance

Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income

Annual Improvements to MFRSs 2009 - 2011 Cycle (issued in July 2012)

The Directors anticipate that the adoption of the abovementioned Standards did not have any material impact on the financial statements of the Group.

Standards and IC Interpretations in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new and revised Standards and IC Interpretations which were in issue but not yet effective and not early adopted by the Group is as listed below:

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)¹

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)¹

MFRS 9 Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139)¹

IC Int. 21 Levies²

Amendments to MFRS 9

and MFRS 7 Mandatory Effective Date of MFRS 9 (IFRS 9 issued by IASB in November 2009 and October 2010 respectively) and Transition Disclosures¹

Amendments to MFRS 10,

MFRS 12 and MFRS 127 Investment Entities²

Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions³

Amendments to MFRS 132 Financial Instruments: Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities)²

Amendments to MFRS 136 Impairment of Assets (Amendments relating to Recoverable Amounts Disclosures for Non-Financial Assets)²

Amendments to MFRS 139 Financial Instruments: Recognition and Measurement (Amendments relating to Novation of Derivatives and Continuation of Hedge Accounting)²

Annual Improvements to MFRSs 2010 - 2012 Cycle³ (issued in February 2014)

Annual Improvements to MFRSs 2011 - 2013 Cycle³ (issued in February 2014)

- 1 The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. Subsequently, on 14 February 2014, it was announced that the new effective date will be decided when the project is closer to completion.
- 2 Effective for annual periods beginning on or after 1 January 2014
- 3 Effective for annual periods beginning on or after 1 July 2014

Where applicable, the Directors anticipate that the abovementioned Standards and IC Interpretations will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and IC Interpretations will have no material impact on the financial statements of the Group in the period of initial application.

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 THIRD QUARTER ENDED 31 MARCH 2014**

**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 RM31.76 million for the current quarter under review, an increase of RM0.57 million or 1.83% as compared to RM31.19 million as recorded in the previous year corresponding quarter.

Profit before taxation for the current quarter increased from RM1.17 million to RM1.62 million as compared to the previous year corresponding quarter. The increase in profit before tax was mainly due to better promotional strategies with adjustments for product mix and pricing as well as an increase in other operating income and income from other investment.

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.

| | Current Quarter | Preceding Quarter | Variance |
|-------------------|------------------------|--------------------------|-----------------|
| Period ended | 31.03.2014 | 31.12.2013 | |
| | (RM'000) | (RM'000) | (RM'000) |
| Revenue | 31,759 | 32,390 | (631) |
| Profit Before Tax | 1,619 | 3,251 | (1,632) |

Revenue for current quarter was RM31.76 million, which is RM0.63 million or 1.95% lower than that of the immediate preceding quarter of RM32.39 million due to Chinese New Year Festive Sales being booked in the immediate preceding quarter ended 31 December 2013.

For the current quarter ended 31 March 2014, the Group posted a Profit Before Tax of RM1.62 million, which is RM1.63 million or 50.15% lower than that of the immediate preceding quarter of RM3.25 million. The better performance in the immediate preceding quarter was due to the Chinese New Year Sales.

B3. Prospects

The retail apparel industry has been getting very competitive and we expect the competition to be more intense in the current financial year.

We are constantly reviewing our position in the market and likewise our product mix and pricing strategies in view of the competition.

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:-

| | Current Quarter | Year – to –Date |
|--------------------------|------------------------|------------------------|
| | RM'000 | RM'000 |
| Current quarter taxation | 402 | 2,214 |
| | | |
| Total | 402 | 2,214 |

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 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 | 372,200 | 5,905,200 |
| Number of shares cancelled | - | - |
| Number of shares held as treasury shares | 372,200 | 5,905,200 |
| 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 | Unsecured | Total |
|-----------------------|----------------|------------------|---------------|
| | RM'000 | RM'000 | RM'000 |
| Short-term borrowings | - | 7,560 | 7,560 |
| Long-term borrowing | - | - | - |
| | - | 7,560 | 7,560 |

There was no debt securities issued in the quarter ended 31 March 2014.

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.

| | Current Year Quarter Ended 31/03/2014 | Preceding Year Corresponding Quarter 31/03/2013 |
|---|--|--|
| Net profit attributable to shareholders (RM '000) | 1,217 | 866 |
| <i>Weighted average number of ordinary shares of RM 0.50 each in issue ('000)</i> | | |
| Weighted average number of ordinary shares ('000) | 121,998 | 123,962 |
| | ----- | ----- |
| Basic earnings per share (sen) | 1.00 | 0.69 |
| | ----- | ----- |

B12. Realised And Unrealised Retained Earnings

| | Group as at 31/03/2014 (RM'000) |
|---|---------------------------------------|
| Total retained earnings | |
| - Realised | 109,969 |
| - Unrealised | (1,320) |
| | |
| Less: consolidation adjustments | (41,695) |
| | |
| Total group reserves as per consolidated accounts | 66,954 |

B13. Profit Before Taxation

| | Current Year Quarter Ended 31.03.2014 RM'000 | 9 Months Cumulative to Date 31.03.2014 RM'000 |
|---|---|--|
| Profit Before Tax is arrived after charging /(crediting):- | | |
| Amortisation of prepaid Lease Payment | 9 | 25 |
| Depreciation of Property, Plant and Equipment | 773 | 2,315 |
| Net Gain on Disposal of Property , Plant & Equipment | 116 | 405 |
| Provision for Bad Debt | - | - |
| Interest Income | (386) | (688) |
| Interest Expenses | 77 | 164 |