

CHEETAH HOLDINGS BERHAD (430404 - H)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST QUARTER ENDED 30 SEPTEMBER 2015****(The figures have not been audited)****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015**

	Current Year Quarter Ended 30/09/2015 RM '000	Comparative Corresponding Quarter Ended 30/09/2014 RM '000	3 Months Cumulative To Date 30/09/2015 RM '000	Comparative 3 Months Cumulative To Date 30/09/2014 RM '000
Revenue	30,664	36,320	30,664	36,320
Operating Expenses	(10,781)	(10,977)	(10,781)	(10,977)
Other Operating Expenses	(839)	(825)	(839)	(825)
Other Operating Income	198	56	198	56
Income from Other Investment	111	100	111	100
Finance Costs	(19)	(34)	(19)	(34)
Profit / (Loss) Before Tax	167	2,139	167	2,139
Income Tax Expenses	(43)	(539)	(43)	(539)
Profit For The Period	124	1,600	124	1,600
Attributable to :				
Equity Shareholders of the Company	124	1,600	124	1,600
Earnings Per Share (EPS) attributable to equity shareholders the Company				
- Basic (sen)	0.10	1.31	0.10	1.31
- 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 2015

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INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED As At 30/09/2015 RM '000	AUDITED As At 30/06/2015 RM '000
ASSETS		
Property, plant and equipment	20,093	20,284
Prepaid lease payments	2,395	2,403
Investment properties	619	623
	23,107	23,310
Current assets		
Inventories	70,993	74,086
Trade receivables	26,061	26,952
Other receivables, deposits and prepayments	785	790
Tax recoverable	1,060	513
Short term deposits with financial institutions	21,407	22,281
Cash and bank balances	4,752	9,115
	125,058	133,737
TOTAL ASSETS	148,165	157,047
EQUITY		
Share capital	63,810	63,810
Treasury Shares	(4,159)	(4,130)
Reserves	68,657	68,533
Total Equity	128,308	128,213
Non-current Liabilities		
Deferred tax	1,001	1,001
Hire Purchase Creditor	135	152
	1,136	1,153
Current Liabilities		
Trade payables	13,238	23,466
Other payables and accruals	1,505	2,282
Hire Purchase Creditor	73	73
Short term borrowings	3,898	1,853
Provision for taxation	7	7
	18,721	27,681
Total Liabilities	19,857	28,834
TOTAL EQUITY AND LIABILITIES	148,165	157,047
Net Assets per share attributable to ordinary equity shareholders of the Company (RM)	1.08	1.07

The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the audited annual financial report for the year ended 30 June 2015

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INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (The figures have not been audited)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	Period Ended 30/09/2015 RM '000	Period Ended 30/09/2014 RM '000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	167	2,139
Adjustment for :		
Depreciation of :		
Property, plant & equipment	793	764
Investment properties	4	1
Property, plant & equipment written off	1	3
Provision for Inventories written off	766	908
Amortisation of prepaid lease payment	8	8
Allowance for doubtful debts	-	-
Bad debt written off	-	-
Interest income	(111)	(100)
Finance cost	19	34
Operating profit before changes in working capital	<u>1,647</u>	<u>3,757</u>
Changes in working capital :		
(Increase)/decrease in inventories	2,327	1,029
(Increase)/decrease in receivables	891	(1,069)
(Increase)/decrease in other receivables and prepaid expenses	5	(238)
(Decrease)/ increase in payables	(10,228)	(2,980)
(Decrease)/ increase in other payable and accrued expenses	(777)	(9)
Tax paid	(590)	(636)
Net cash (used in) / from operating activities	<u>(6,725)</u>	<u>(146)</u>
CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(602)	(749)
Interest income	111	100
Net cash used in investing activities	<u>(491)</u>	<u>(649)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Net repayment of term loan	-	-
Decrease in short -term borrowings - unsecured	2,045	(2,093)
Net drawdown of hire purchase obligations	(18)	(19)
Purchase of treasury shares	(29)	-
Finance cost	(19)	(34)
Net cash used in financing activities	<u>1,979</u>	<u>(2,146)</u>
Net decrease in cash and cash equivalents	(5,237)	(2,941)
Cash and cash equivalents at the beginning of the financial period	<u>31,396</u>	<u>25,274</u>
Cash and cash equivalents at the end of the financial period	<u><u>26,159</u></u>	<u><u>22,333</u></u>
Cash and cash equivalents comprise :-		
Short-term deposits with financial institutions	21,407	19,210
Cash and bank balances	4,752	3,123
	<u><u>26,159</u></u>	<u><u>22,333</u></u>

The Condensed Cash Flow Statement should be read in conjunction with the audited annual financial report for the year ended 30 June 2015

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CHEETAH HOLDINGS BERHAD (430404 - H)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	Share Capital RM '000	Treasury Shares RM '000	Non - Distributable Capital Reserve RM '000	Distributable Retained Earnings RM '000	Total RM '000
<u>3 months ended 30 September 2015</u>					
As at 1 July 2015	63,810	(4,130)	1,264	67,269	128,213
Total comprehensive income for the year	-	-	-	124	124
Dividend paid	-	-	-	-	-
Shares bought-back held as treasury shares	-	(29)	-	-	(29)
As at 30 September 2015	<u>63,810</u>	<u>(4,159)</u>	<u>1,264</u>	<u>67,393</u>	<u>128,308</u>
<u>3 months ended 30 September 2014</u>					
As at 1 July 2014	63,810	(2,857)	1,264	66,157	128,374
Total comprehensive income for the year	-	-	-	1,600	1,600
Shares bought-back held as treasury shares	-	-	-	-	-
Dividend paid	-	-	-	-	-
As at 30 September 2014	<u>63,810</u>	<u>(2,857)</u>	<u>1,264</u>	<u>67,757</u>	<u>129,974</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 2015

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NOTES TO THE QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015

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

A1. Basis of Preparation and Consolidation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (MFRS) 134: Interim Financial Reporting issued by Malaysian Accounting Standard Board (MASB) 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 2015. 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 2015.

Adoption of new and revised Malaysian Financial Reporting Standards

In the current financial period ended 30 September 2015, the Group adopted all the new and revised MFRSs and Issues Committee Interpretations (IC Interpretations) and amendments to MFRSs issued by the MASB which became effective for annual financial periods beginning on or after 1 July 2015.

Amendments to MFRS 10, Consolidated Financial Statements, Disclosure of
MFRS 12 and MFRS 127 Interests in Other Entities and Separate Financial
Statements
-Investment Entities

Amendments to MFRS 132 Financial Instruments : Presentation
-Offsetting Financial Assets and Financial
Liabilities

Amendments to MFRS 136 Impairment of Assets
-Recoverable Amount Disclosure for Non-
Financial Assets

Amendments to MFRS 139 Financial Instruments : Recognition and
Measurement
-Novation of Derivatives and Continuation of
Hedge Accounting

IC Int. 21

Levies

Amendments to MFRSs	Annual Improvements to MFRSs 2010 ó 2012 Cycle
Amendments to MFRSs	Annual Improvements to MFRSs 2011 ó 2013 Cycle
Amendments to MFRS 119	Defined Benefit Plan -Employee Contributions

The adoption of the abovementioned Standards and IC Interpretations did not have any material impact on the financial statements of the Group.

Standards and IC Interpretations in issue but not yet effective

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an investor and its Associate or Joint Venture ¹
Amendments to MFRS 10 , MFRS 12 and MFRS 128	Investment Entities : Applying the Consolidation Exception ¹
Amendments to MFRS 11	Accounting for Acquisition of Interests In Joint Operations ¹
Amendments to MFRS 101	Disclosure Initiative ¹
Amendments to MFRS 116	Clarification of Acceptable Methods of Depreciation and Amortisation ¹
Amendments to MFRS 116	Agriculture : Bearer Plants ¹
Amendments to MFRS 127	Equity Method in Separate Financial Statement ¹
Amendments to MFRSs	Annual Improvement to MFRSs 2012 to 2014 Cycle ¹
MFRS 15	Revenue from Contracts with Customers ²
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009) ³
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2010) ³
Amendments to MFRS 9 and MFRS 7	Mandatory Effective Date of MFRS 9 (IFRS as issued by IASB in November 2009 and October 2010) and Transition Disclosure ³

MFRS 9	Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 8 and MFRS 139) ³
MFRS 9	Financial Instruments (IFRS 9 as issued by IASB in July 2014) ³

¹ Effective for annual periods beginning on or after 1 January 2016

² Effective for annual periods beginning on or after 1 January 2017

³ Effective for annual periods beginning on or after 1 January 2018

The Directors anticipate that the abovementioned Standards will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards 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 2015 were not qualified.

A3. Seasonal or Cyclical Factors

The Group's business operations are 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 2015.

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 2015

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 revenue of RM30.66 million for the current quarter under review, a decrease of RM5.66 million or 15.58% as compared to RM36.32 million recorded in the previous year corresponding quarter. The decrease was due to weaker consumer spending and slowdown in the economy.

Profit Before Taxation for the current quarter decreased from RM2.14 million to RM0.17 million as compared to the previous year corresponding quarter. The decrease in profit before tax was due to lower margins and 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.

	Current Quarter	Preceding Quarter	Variance
Period ended	30.09.2015	30.06.2015	
	(RM'000)	(RM'000)	(RM'000)
Revenue	30,664	28,562	2,102
Profit / (Loss) Before Tax	167	2,200	(2,032)

Revenue for current quarter was RM30.66 million, which is RM2.10 million or 7.35% higher than that of the immediate preceding quarter of RM28.56 million, due to Hari Raya Sales captured in this current quarter.

For the current quarter ended 30 September 2015, the Group posted a Profit Before Tax of RM 0.17 million, a decrease of RM2.03 million as compared to the immediate preceding quarter Profit Before tax of RM2.20 million. The decrease in profit was mainly due to low margins to generate sales and monetize stocks.

B3. Prospects

Faced with weak consumer spending in the retail apparel industry and aggressive competition, the Company expects another challenging year ahead. However, the Company is taking steps to introduce new brands and product lines, control/reduce costs to turn in a positive 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	43	43
Total	43	43

Income tax is calculated at the statutory rate of 24% 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	72,000	8,334,600
Number of shares cancelled	-	-
Number of shares held as treasury shares	72,000	8,334,600
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	-	3,898	3,898
Hire Purchase Payables	208	-	208
	208	3,898	4,106

There was no debt securities issued in the quarter ended 30 September 2015.

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 30/09/2015	Preceding Year Corresponding Quarter 30/09/2014
Net profit attributable to shareholders (RM '000)	124	1,600
<i>Weighted average number of ordinary shares of RM 0.50 each in issue ('000)</i>		
Weighted average number of ordinary shares ('000)	119,351	121,716
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Basic earnings per share (sen)	0.10	1.31
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B12. Realised And Unrealised Retained Earnings

	Group as at 30/09/2015 (RM'000)
Total retained earnings	
- Realised	111,353
- Unrealised	(1,001)
Less: consolidation adjustments	(41,695)
Total group reserves as per consolidated accounts	68,657

B13. Profit Before Taxation

	Current Year Quarter Ended 30.09.2015 RM'000	3 Months Cumulative to Date 30.09.2015 RM'000
Profit Before Tax is arrived at after charging /(crediting):-		
Amortisation of prepaid lease payment	9	9
Depreciation of property, plant and equipment	793	793
Depreciation of Investment Properties	4	4
Property, plants and equipment written off	1	1
Provision of inventories written off	766	766
Interest income	(111)	(111)
Finance cost	19	19