

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2016**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	CURRENT YEAR QUARTER ENDED 30.06.2016 <b>RM'000</b>	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.06.2015 <b>RM'000</b>	CURRENT YEAR TO DATE ENDED 30.06.2016 <b>RM'000</b>	PRECEDING YEAR CORRESPONDING YEAR TO DATE ENDED 30.06.2015 <b>RM'000</b>
<b>Revenue</b>	43,943	37,036	82,515	98,642
Cost of sales	(25,091)	(21,594)	(45,243)	(55,871)
<b>Gross Profit</b>	18,852	15,442	37,272	42,771
Other Income	199	1,022	814	1,310
Administrative expenses	(7,769)	(7,129)	(14,982)	(14,831)
Other operating expenses	(8,545)	(7,883)	(16,660)	(17,831)
Finance costs	(392)	(353)	(812)	(681)
<b>Profit before tax</b>	2,345	1,099	5,632	10,738
Tax expense (Note B5)	(615)	(41)	(1,576)	(3,402)
<b>Profit for the period</b>	1,730	1,058	4,056	7,336
<b>Profit attributable to:</b>				
Owners of the Company	1,717	935	4,006	7,031
Non-controlling interests	13	123	50	305
<b>Profit for the period</b>	1,730	1,058	4,056	7,336
Basic earnings per ordinary share (sen) (Note B11)	1.31	0.71	3.06	5.37

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2016**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30.06.2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.06.2015 RM'000	CURRENT YEAR TO DATE ENDED 30.06.2016 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE ENDED 30.06.2015 RM'000
<b>Profit for the period</b>	1,730	1,058	4,056	7,336
<i>Other comprehensive income, net of tax:</i>				
Foreign currency translation differences for foreign operations	1,238	941	(7,060)	2,623
<b>Total comprehensive income for the period</b>	<u>2,968</u>	<u>1,999</u>	<u>(3,004)</u>	<u>9,959</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	2,634	1,598	(2,427)	8,897
Non-controlling interests	334	401	(577)	1,062
<b>Total comprehensive income for the period</b>	<u>2,968</u>	<u>1,999</u>	<u>(3,004)</u>	<u>9,959</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016**

	<b>As at 30.06.2016 RM'000 (Unaudited)</b>	<b>As at 31.12.2015 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	35,932	35,067
Investment properties	25,641	25,867
Goodwill	28	-
Deferred tax assets	876	847
	<u>62,477</u>	<u>61,781</u>
<b>Current assets</b>		
Inventories	197,996	199,666
Trade and other receivables	21,270	21,800
Prepayments and other assets	2,244	1,182
Current tax assets	2,924	2,362
Cash and cash equivalents	45,605	40,255
	<u>270,039</u>	<u>265,265</u>
<b>TOTAL ASSETS</b>	<b><u>332,516</u></b>	<b><u>327,046</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	67,000	67,000
Share premium	10,435	10,435
Reserves	158,351	160,780
	<u>235,786</u>	<u>238,215</u>
<b>Non-controlling interests</b>	<u>12,939</u>	<u>13,516</u>
<b>Total equity</b>	<b><u>248,725</u></b>	<b><u>251,731</u></b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	42,787	36,987
Deferred tax liabilities	250	375
	<u>43,037</u>	<u>37,362</u>
<b>Current liabilities</b>		
Loans and borrowings	5,575	7,397
Trade and other payables	32,089	27,786
Deferred revenue	1,208	1,222
Current tax liabilities	1,882	1,548
	<u>40,754</u>	<u>37,953</u>
<b>Total liabilities</b>	<b><u>83,791</u></b>	<b><u>75,315</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>332,516</u></b>	<b><u>327,046</u></b>
 Net assets per share (RM)	 1.90	 1.92

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015)

**CONDESED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2016**

	<----- Attributable to owners of the Company ----->							
	< ----- Non-distributable ----->				Distributable			
	Share capital RM'000	Share premium RM'000	Other reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>At 1 January 2016</b>	67,000	10,435	14,143	(3,189)	149,826	238,215	13,516	251,731
Total comprehensive income for the period	-	-	(6,433)	-	4,006	(2,427)	(577)	(3,004)
Shares repurchased	-	-	-	(2)	-	(2)	-	(2)
Dividends to shareholders	-	-	-	-	-	-	-	-
<b>At 30 June 2016</b>	<b>67,000</b>	<b>10,435</b>	<b>7,710</b>	<b>(3,191)</b>	<b>153,832</b>	<b>235,786</b>	<b>12,939</b>	<b>248,725</b>
<b>At 1 January 2015</b>	67,000	10,435	4,575	(3,166)	141,041	219,885	10,926	230,811
Total comprehensive income for the period	-	-	1,866	-	7,031	8,897	1,062	9,959
Shares repurchased	-	-	-	(5)	-	(5)	-	(5)
Dividends to shareholders	-	-	-	-	-	-	-	-
<b>At 30 June 2015</b>	<b>67,000</b>	<b>10,435</b>	<b>6,441</b>	<b>(3,171)</b>	<b>148,072</b>	<b>228,777</b>	<b>11,988</b>	<b>240,765</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR-TO-DATE ENDED 30 JUNE 2016***These figures have not been audited*

	<b>30.06.2016 RM'000</b>	<b>30.06.2015 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,632	10,738
Adjustments for:		
Depreciation	1,920	1,695
Gain on derivative financial instruments	-	(9)
Interest expense	812	681
Provision for slow moving inventory	218	81
Property, plant and equipment written off	195	12
Gain on disposal of property, plant and equipment	(99)	-
Interest income	(43)	(45)
Unrealised foreign exchange loss / (gain)	76	(668)
<b>Operating profit before working capital changes</b>	<b>8,711</b>	<b>12,485</b>
Inventories	1,451	(1,841)
Receivables	929	(1,288)
Payables	2,905	435
<b>Cash generated from operations</b>	<b>13,996</b>	<b>9,791</b>
Interest paid	(812)	(681)
Income tax paid	(1,867)	(2,932)
Interest received	43	45
<b>Net cash (used in) / generated from operating activities</b>	<b>11,360</b>	<b>6,223</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(2,872)	(8,898)
Proceeds from disposal of property, plant and equipment	160	-
Proceeds from disposal of subsidiary company	-	-
Purchase of investment in a subsidiary company	(184)	-
Capital repayment to minority interests	-	-
<b>Net cash used in investing activities</b>	<b>(2,896)</b>	<b>(8,898)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	-	-
Net proceeds from borrowings	4,287	972
Payment of finance lease liabilities	(167)	(208)
Share repurchased	(2)	(5)
<b>Net cash generated from / (used in) in financing activities</b>	<b>4,118</b>	<b>759</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>12,582</b>	<b>(1,916)</b>
Effects of foreign exchange rate changes	(7,232)	2,217
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	<b>40,255</b>	<b>31,815</b>
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>45,605</b>	<b>32,116</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015)

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016****A. EXPLATORY NOTES PURSUANT TO MFRS 134****A1. Basis of Preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 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 31 December 2015.

The accounting policies applied by the Group in these interim financial statements are consistent with those applied by the Group in its annual audited financial statements for the year ended 31 December 2015 except for the adoption of the following Amendments to Standards during the current financial period:

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016**

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)
Amendments to MFRS 7	Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)
Amendments to MFRS 10	Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 11	Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure Initiative
Amendments to MFRS 116	Property, Plant and Equipment and MFRS 138, Intangible Assets – Clarification of acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116	Property, Plant and Equipment and MFRS 141, Agriculture – Agriculture: Bearer Plants
Amendments to MFRS 119	Employee Benefits (Annual Improvements 2012-2014 Cycle)
Amendments to MFRS 127	Separate Financial Statements – Equity Method in Separate Financial Statements
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017**

Amendments to MFRS 107	Statement of Cash Flows – Disclosure Initiative
Amendments to MFRS 112	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018**

MFRS 9	Financial Instruments (2014)
MFRS 15	Revenue from Contracts with Customers

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019**

MFRS 16	Leases
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The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first adoption other than MFRS 9, Financial Instruments, MFRS 15, Revenue from Contracts with Customers

**A2. Seasonality or Cyclicity of Operations**

Festive seasons do have an effect on the operations of the Group.

**A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the financial period.

**A4. Changes in Estimates**

There were no material changes in the estimates used for the preparation of interim financial report.

## A5. Issuance, Cancellation or Repayments of Debt and Equity Securities

Saved as disclosed below, there were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities by the Company for the current financial period-to-date:

During the current quarter, the Company repurchased 2,000 of its issued ordinary shares from the open market at an average price of RM0.93 per share. The total consideration paid for the repurchase including transaction costs was RM1,904.99 and this was financed by internally generated funds. As at 30 June 2016, a total of 3,155,900 shares repurchased were held at a total cost of RM3,190,723.49. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965. None of the treasury shares held were resold or cancelled during the quarter under review and up to the date of this report

## A6. Dividend Paid

There was no dividend paid during the current quarter and current year-to-date.

## A7. Segmental Information

### Business Segment

#### Results for Year to Date Ended 30 June 2016

	Segment revenue		Segment profit before tax RM '000
	External RM '000	Intersegment RM '000	
Retail	78,267	21,708	4,094
Manufacturing	3,525	13,088	1,457
Others	723	7,096	81
Total	82,515	41,891	5,632
Consolidation adjustments:			
Intersegment transactions	-	(41,891)	-
<b>Consolidated Total</b>	<b>82,515</b>	<b>-</b>	<b>5,632</b>

### Business Segment

#### Results for Year to Date Ended 30 June 2015

	Segment revenue		Segment profit before tax RM '000
	External RM '000	Intersegment RM '000	
Retail	93,120	16,642	8,967
Manufacturing	5,405	14,970	1,585
Others	117	1,433	186
Total	98,642	33,045	10,738
Consolidation adjustments:			
Intersegment transactions	-	(33,045)	-
<b>Consolidated Total</b>	<b>98,642</b>	<b>-</b>	<b>10,738</b>

## A8. Material Events Subsequent To The Financial Period

There were no subsequent material events as at the date of this report.

## A9. Changes in the Composition of the Company

Save as disclosed below, there were no changes in the composition of the Company during the quarter under review.

Bestline International Corporation Ltd. ("BICL"), a 70% owned subsidiary of Jewelmart International Sdn. Bhd., which in turn is a wholly owned subsidiary of the Company, had on 6 June 2016 acquired 100% equity interest in Bestline Design Sdn. Bhd. ("BD") and Bestline Ltd. ("BL") for a cash consideration of RM2.00 and HK\$300,000 respectively. The principal activities of BD is trading of jewelry and other related product, whereas the principal activities of BL are trading of jewelry and provision of marketing research for customers.

**A10. Contingent Liabilities**

There were no contingent liabilities as at the date of this report.

**A11. Capital Commitments**

The Group did not have any capital commitments which were contracted but not provided for as at 30 June 2016.

**B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES  
BERHAD LISTING REQUIREMENTS****B1. Review of Performance****Quarter results**

For the current quarter under review, the Group registered a revenue of RM43.9 million and a profit before tax ("PBT") of RM2.3 million as compared with a revenue of RM37.0 million and a PBT of RM1.1 million recorded in the corresponding quarter of the preceding year. The current performance was an improvement over the corresponding quarter in 2015 which was a very weak quarter as the result of the new implementation of GST.

**Year-to-date results**

For the current year-to-date, the Group registered a revenue of RM82.5 million and a PBT of RM5.6 million as compared with a revenue of RM98.6 million and a PBT of RM10.7 million recorded in the preceding year-to-date. The higher revenue in the preceding year-to-date result was due to the strong pre-GST sales recorded in the first quarter.

**B2. Material Changes in Current Quarter Results compared to Immediate Preceding Quarter**

For the current quarter, the Group registered a revenue of RM43.9 million and a PBT of RM2.3 million versus a revenue of RM38.6 million and a PBT of RM3.3 million recorded in the immediate preceding quarter. The higher revenue was mainly contributed from the sales promotion campaigns and participation of the Company in the local and international trade fair exhibitions.

**B3. Prospects For Financial Year 2016**

The Group expect the market will continue to be challenging and will intensified its marketing efforts to increase sales and enhance performance efficiency. With the strong branding and broad range of product offered, the Group is confident it will be able to overcome the challenges ahead.

**B4. Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee.

**B5. Taxation**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	Current Year Quarter 30.06.2016 <b>RM'000</b>	Preceding Year Quarter 30.06.2015 <b>RM'000</b>	Current Year To date 30.06.2016 <b>RM'000</b>	Preceding Year Corresponding 30.06.2015 <b>RM'000</b>
Income Tax				
- Current period	680	41	1,641	3,675
- Under provision in prior period	45	-	45	
Deferred Taxation				
- Current period				
- Prior period	(110)	-	(110)	(273)
	<b>615</b>	<b>41</b>	<b>1,576</b>	<b>3,402</b>

**B6. Status of Corporate Proposals**

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



## B7. Borrowings and Debt Securities

The Group's borrowings as at 30 June 2016 are as follows:-

	Unsecured RM'000	Secured RM'000	Total RM'000
<b>Current</b>			
Finance lease liabilities	-	191	191
Bank overdraft	-	3,091	3,091
Term loans (in RM)	1,000	1,152	2,152
Term loans (in SGD)	-	141	141
	<u>1,000</u>	<u>4,575</u>	<u>5,575</u>
<b>Non-current</b>			
Finance lease liabilities	-	506	506
Term loans (in RM)	-	38,927	38,927
Term loans (in SGD)	-	3,354	3,354
	<u>-</u>	<u>42,787</u>	<u>42,787</u>
<b>Total</b>	<u>1,000</u>	<u>47,362</u>	<u>48,362</u>

## B8. Material Litigation

There was no material litigation as at the date of this quarterly report and the financial year to date.

## B9. Dividend

At the Nineteenth Annual General Meeting held on 19 May 2016, the shareholders approved a first and final single tier dividend of 5% which would be payable on 1 July 2016 in respect of the financial year ended 31 December 2015.

## B10. Qualification of Audit Report of the Preceding Annual Financial Statements

There was no qualification on audit report of the preceding annual financial statements.

## B11. Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial period.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	Current Year Quarter 30.06.2016	Preceding Year Corresponding Quarter 30.06.2015	Current Year To date 30.06.2016	Preceding Year Corresponding Year To Date 30.06.2015
Profit attributable to the owners (RM'000)	1,717	935	4,006	7,031
Weighted average number of ordinary shares in issue ('000)	130,809	130,836	130,846	130,871
Basic earnings per share (sen)	1.31	0.71	3.06	5.37

Diluted earnings per share is not applicable for the Group.

**B12. Notes To Condensed Consolidated Income Statements For The Quarter And Year-To-Date**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	Current Year Quarter 30.06.2016 RM'000	Preceding Year Corresponding Quarter 30.06.2015 RM'000	Current Year To date 30.06.2016 RM'000	Preceding Year Corresponding Year To Date 30.06.2015 RM'000
<i>After crediting :-</i>				
Interest Income	15	19	43	45
Foreign exchange gain - realised	-	-	-	-
Foreign exchange gain - unrealised	-	968	-	774
Gain on disposal of property, plant and equipment	-	-	99	-
Allowance on slow moving inventories-reversal	335	-	109	-
Property, plant and equipment written off	45	5	195	12
<i>After charging :-</i>				
Interest Expense	392	353	812	681
Depreciation	993	862	1,920	1,695
Foreign exchange loss - realised	-	(29)	-	385
Allowance on slow moving inventories	80	21	218	21
Foreign exchange loss - unrealised	(309)	-	76	-

**B13. Realised and Unrealised Profits and Losses**

The breakdown of the retained earnings of the Group as at the reporting date, into realised and unrealised profits pursuant to Paragraphs 2.06 and 2.23 of the Bursa Malaysia Securities Berhad ("Bursa Malaysia"), are as follows:

	30.06.2016 RM'000	31.12.2015 RM'000
Total Retained earnings of the Group		
- Realised	157,085	150,989
- Unrealised	(374)	(80)
	156,711	150,909
Consolidation Adjustment	(2,879)	(2,837)
<b>Total retained earnings of the Group</b>	<b>153,832</b>	<b>148,072</b>

The determination of realised and unrealised profits or losses is based on Guidance of Special Matter No. 1, "*Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*" as issued by the Malaysian Institute of Accountants on 20 December 2010.

**BY ORDER OF THE BOARD**

**ANDREA HUONG JIA MEI**

Company Secretary

MIA 36347

Dated: 18 August 2016