

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2018**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30.06.2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.06.2017 RM'000	CURRENT YEAR YEAR TO DATE ENDED 30.06.2018 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE ENDED 30.06.2017 RM'000
Revenue	38,061	52,060	75,865	95,346
Cost of sales	(23,367)	(30,238)	(45,567)	(53,764)
Gross Profit	14,694	21,822	30,298	41,582
Other Income	200	1,802	1,634	2,777
Administrative expenses	(6,080)	(9,781)	(13,740)	(18,140)
Other operating expenses	(7,700)	(8,899)	(16,703)	(17,400)
Finance costs	(545)	(68)	(780)	(404)
Profit before tax	569	4,876	709	8,415
Tax expense (Note B5)	(478)	(478)	(1,482)	(1,452)
Profit/(Loss) for the period	91	4,398	(773)	6,963
Profit/(Loss) attributable to:				
Owners of the Company	98	4,467	(778)	7,472
Non-controlling interests	(7)	(69)	5	(509)
Profit/(Loss) for the period	91	4,398	(773)	6,963
Basic earnings per ordinary share (sen) (Note B11)	0.07	3.41	(0.59)	5.71

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2018**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30.06.2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.06.2017 RM'000	CURRENT YEAR TO DATE ENDED 30.06.2018 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE ENDED 30.06.2017 RM'000
Profit/(Loss) for the period	91	4,398	(773)	6,963
<i>Other comprehensive income, net of tax:</i>				
Foreign currency translation differences for foreign operations	222	(1,709)	(706)	(1,166)
Total comprehensive income/(loss) for the period	313	2,689	(1,479)	5,797
Total comprehensive income attributable to:				
Owners of the Company	320	3,136	(1,484)	6,440
Non-controlling interests	(7)	(447)	5	(643)
Total comprehensive income/(loss) for the period	313	2,689	(1,479)	5,797

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	As at 30.06.2018 RM'000 (Unaudited)	As at 31.12.2017 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	29,834	29,562
Investment properties	29,203	29,493
Deferred tax assets	888	1,798
	<u>59,925</u>	<u>60,853</u>
Current assets		
Inventories	209,595	215,296
Trade and other receivables	20,408	35,477
Current tax assets	2,871	1,898
Other investments	2,542	2,501
Fixed deposits placed with licensed banks	556	571
Cash and cash equivalents	27,239	32,692
	<u>263,211</u>	<u>288,435</u>
TOTAL ASSETS	<u>323,136</u>	<u>349,288</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	77,435	77,435
Reserves	169,066	171,858
	<u>246,501</u>	<u>249,293</u>
Non-controlling interests	<u>1,218</u>	<u>1,213</u>
Total equity	<u>247,719</u>	<u>250,506</u>
LIABILITIES		
Non-current liabilities		
Loans and borrowings	38,463	37,131
Deferred tax liabilities	601	667
	<u>39,064</u>	<u>37,798</u>
Current liabilities		
Loans and borrowings	5,576	6,689
Trade and other payables	29,213	52,354
Deferred revenue	1,527	1,440
Current tax liabilities	37	501
	<u>36,353</u>	<u>60,984</u>
Total liabilities	<u>75,417</u>	<u>98,782</u>
TOTAL EQUITY AND LIABILITIES	<u>323,136</u>	<u>349,288</u>
Net assets per share (RM)	1.89	1.91

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2018**

	<----- Attributable to owners of the Company ----->								
	< ----- Non-distributable ----- >					Distributable			
	Share capital RM'000	Share premium RM'000	Other reserve RM'000	Exchange reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2018	77,435	-	2,500	1,711	(3,202)	170,849	249,293	1,213	250,506
Total comprehensive income for the period	-	-	-	(706)	-	(778)	(1,484)	5	(1,479)
Shares repurchased	-	-	-	-	-	-	-	-	-
Dividends to shareholders	-	-	-	-	-	(1,308)	(1,308)	-	(1,308)
At 30 June 2018	77,435	-	2,500	1,005	(3,202)	168,763	246,501	1,218	247,719
At 1 January 2017	67,000	10,435	2,500	13,548	(3,194)	155,457	245,746	13,906	259,652
Total comprehensive income for the period	-	-	-	(1,032)	-	7,472	6,440	(643)	5,797
Shares repurchased	-	-	-	-	(5)	-	(5)	-	(5)
At 30 June 2017	67,000	10,435	2,500	12,516	(3,199)	162,929	252,181	13,263	265,444

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 30 JUNE 2018***These figures have not been audited*

	30.06.2018 RM'000	30.06.2017 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	709	8,415
Adjustments for:		
Depreciation	1,686	1,711
Interest expense	780	404
Provision for slow moving inventories	347	95
Property, plant and equipment written off	231	19
Gain on disposal of property, plant and equipment	(334)	(75)
Interest income	(90)	(158)
Unrealised foreign exchange loss / (gain)	1,270	(1,261)
Operating profit before working capital changes	4,599	9,150
Inventories	5,354	(13,653)
Receivables	15,958	(1,402)
Payables	(26,522)	(1,031)
Cash used in operations	(611)	(6,936)
Interest paid	(117)	(404)
Income tax paid	(2,109)	(1,668)
Interest received	90	158
Net cash used in operating activities	(2,747)	(8,850)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,295)	(458)
Proceeds from disposal of property, plant and equipment	417	-
Withdrawal / (Placement) of fixed deposits	15	(178)
Placement of other investments	(41)	-
Net cash used in investing activities	(904)	(636)
CASH FLOW FROM FINANCING ACTIVITIES		
Net repayment from borrowings	(732)	(2,678)
Net repayment of finance lease liabilities	(105)	(232)
Interest paid	(663)	(5)
Net cash used in financing activities	(1,500)	(2,915)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,151)	(12,401)
Effects of foreign exchange rate changes	(389)	(821)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	28,865	47,325
CASH AND CASH EQUIVALENTS AT 30 JUNE	23,325	34,103
Represented by:		
Fixed deposits with licensed banks	556	178
Cash and bank	27,239	35,808
	27,795	35,986
Less: Fixed deposits pledged with licensed banks	(556)	(178)
Less: Bank overdrafts	(3,914)	(1,705)
	23,325	34,103

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018**A. EXPLANATORY 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 2017. 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 2017.

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 2017 except for the adoption of the following Amendments to Standards during the current financial period:

A2. Changes in Accounting Policies

The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the year ended 31 December 2017, except for the new Malaysian Financial Reporting Standards("MFRSs"), amendments/improvements to MFRSs, new IC Interpretation ("IC Int") and amendments to IC Int with effect from 1 January 2018.

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
<u>Amendments/Improvements to MFRSs</u>		
MFRS 2	Share-based Payment	1 January 2018/ 1 January 2020*
MFRS 3	Business Combinations	1 January 2019/ 1 January 2020*
MFRS 9	Financial Instruments	1 January 2019
MFRS 11	Joint Arrangements	1 January 2019
MFRS 101	Presentation of Financial Statements	1 January 2020*
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020*
MFRS 112	Income Taxes	1 January 2019
MFRS 119	Employee Benefits	1 January 2019
MFRS 123	Borrowing Costs	1 January 2019
MFRS 134	Interim Financial Reporting	1 January 2020*
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020*
MFRS 138	Intangible Assets	1 January 2020*
MFRS 140	Investment Property	1 January 2018
<u>New IC Int</u>		
IC Int 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
IC Int 23	Uncertainty over Income Tax Treatments	1 January 2019
<u>Amendments to IC Int</u>		
IC Int 12	Service Concession Arrangements	1 January 2020*
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 January 2020*
IC Int 22	Foreign Currency Transactions and Advance Consideration	1 January 2020*
IC Int 132	Intangible Assets - Web Site Costs	1 January 2020*

* Amendments to References to the Conceptual Framework in MFRS Standards

A3. Audit Qualification

There was no audit qualification in the auditors' report of the Company's previous financial statements for the financial year ended 31 December 2017.

A4. Seasonality or Cyclicity of Operations

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

A5. 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.

A6. Changes in Estimates

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

A7. Issuance, Cancellation or Repayments of Debt and Equity Securities

Save 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, there was no share repurchased. As at 30 June 2018, a total of 3,167,900 shares repurchased were held at a total cost of RM3,201,991.22. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016. None of the treasury shares held were resold or cancelled during the quarter under review and up to the date of this report.

A8. Dividend Paid

There was no dividend paid in respect of the current quarter ended 30 June 2018.

A9. Segmental Information

	Retail RM'000	Manufacturing RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
6 months period ended 30 June 2018					
Revenue					
External	70,042	3,966	1,858	-	75,865
Inter-segment revenue	32,554	18,455	1,131	(52,140)	-
Total revenue	102,596	22,421	2,989	(52,140)	75,865
Segment results					
Profit before tax	(205)	432	482	-	709
Tax expense					(1,482)
Loss for the period					(773)
Profit attributable to:					
- Owners of the Company					(778)
- Non-controlling interests					5
Profit for the period					(773)
6 months period ended 30 June 2017					
Revenue					
External	89,854	3,727	1,765	-	95,346
Inter-segment revenue	36,473	17,052	1,164	(54,689)	-
Total revenue	126,327	20,779	2,929	(54,689)	95,346
Segment results					
Profit before tax	5,693	2,379	343	-	8,415
Tax expense					(1,452)
Profit for the period					6,963
Profit attributable to:					
- Owners of the Company					7,472
- Non-controlling interests					(509)
Profit for the period					6,963

A10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The values of property, plant and equipment have been brought forward without amendments from the previous financial statements for the year ended 31 December 2017.

A11. Material Events Subsequent To The Financial Period

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

A12. Changes in the Composition of the Company

There were no changes in the composition of the Group during the quarter under review.

A13. Contingent Liabilities

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

A14. Capital Commitments

The Group did not have any capital commitments which were contracted but not provided for as at 30 June 2018.

A15. Significant Related Party Transactions

There were no significant related party transactions during the current quarter under review.

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

	Current Year Quarter 30/06/2018 RM'000	Preceding Year Corresponding Quarter 30/06/2017 RM'000	Current Year To date 30/06/2018 RM'000	Preceding Year Corresponding Year To Date 30/06/2017 RM'000
Revenue	38,061	52,060	75,865	95,346
Profit before tax	569	4,876	709	8,415
Profit / (Loss) after tax	91	4,398	(773)	6,963

Quarter results

For the quarter under review, the Group recorded a revenue of RM38.1 million and a profit before tax ("PBT") of RM0.6 million as compared with a revenue of RM52.1 million and PBT of RM4.9 million respectively, for the preceding year corresponding quarter. The decrease in profit was mainly due to the lower sales volume in the retail segment offset by lower expenses for current quarter resulted from disposal of foreign subsidiaries in August 2017.

Performance for the respective operating business segments for the current quarter as at 30 June 2018 as compared to the previous year's corresponding quarter is analysed as follows:

- 1) Retail operations – Segmental revenue decreased by 28.6% to RM34.9 million compared to RM48.9 million due to lower sales volume. As a result, it reported a lower profit before tax of RM0.4 million as compared to PBT of RM3.6 million in the previous year's corresponding quarter.
- 2) Manufacturing operations – Segmental revenue remained the same for both quarters at RM2.1 million. However, it reported a loss before tax of RM0.1 million in the current quarter compared to profit before tax of RM1.2 million in previous year's corresponding quarter mainly due lower gross profit margin.
- 3) Others – Segmental revenue recorded at RM1.0 million was comparable to previous year's corresponding period. Segmental profit increased marginally by RM0.1 million to RM0.2 million during the current quarter.

Year to Date results

For the current year to date, the Group recorded a revenue of RM75.9 million and a marginal profit before tax ("PBT") of RM0.7 million as compared with a revenue of RM95.3 million and PBT of RM8.4 million respectively, for the corresponding previous year to date. The decrease in profit was mainly due to the lower sales contribution from retail segment, lower gross profit margin and loss from foreign exchange offset by lower expenses for current year to date resulted from disposal of foreign subsidiaries in previous year.

Performance for the respective operating business segments for the current year to date as at 30 June 2018 as compared to the previous year to date is analysed as follows:

- 1) Retail operations – Segmental revenue decreased by 22.0% to RM70.0 million in current year to date compared to RM89.9 million due to lower sales volume. As a result, it reported a marginal loss before tax of RM0.2 million as compared to PBT of RM5.7 million in the previous year to date.
- 2) Manufacturing operations – Segmental revenue for the current year to date of RM4.0 million was higher than previous year to date of RM3.7 million. However, it reported a marginal profit before tax of RM0.4 million in the current year to date compared to profit before tax of RM2.4 million in previous year to date mainly due lower gross profit margin.
- 3) Others – Segmental revenue recorded at RM1.9 million was comparable to previous year's corresponding period of RM 1.8 million. Segmental profit increased marginally by RM0.2 million to RM0.5 million during the current year to date.

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

	Current Quarter Ended	Preceding Quarter Ended
	30/06/2018	31/03/2018
	RM'000	RM'000
Revenue	38,061	37,804
Profit before tax	569	140

For the current quarter under review, the Group recorded revenue and profit before tax of RM38.1 million and RM0.6 million respectively as compared to RM37.8 million and loss before tax of RM0.1 million respectively, reported in the immediate preceding quarter. The higher profit before tax was mainly due to lower administrative expenses in the current quarter.

B3. Prospects For Financial Year 2018

The Group anticipate the market sentiment will gradually improve given the recent abolishment of the Goods and Services Tax (GST) and the implementation of Sales and Services Tax (SST). The Group will continue to be vigilant and actively undertake to streamline its operations, enhance product innovation, develop talent and implement new marketing strategies to boost sales and ensure sustainable growth.

B4. Profit Forecast and Profit Guarantee

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

B5. Taxation

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Year To Date
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	RM'000	RM'000	RM'000	RM'000
Income Tax				
- Current period	478	1,257	745	2,231
Deferred Taxation				
- Prior period	-	(779)	737	(779)
	478	478	1,482	1,452

B6. Status of Corporate Proposals

There were no corporate proposals being announced during the current quarter under review.

B7. Borrowings and Debt Securities

The Group's borrowings as at 30 June 2018 are as follows:-

	Secured RM'000	Total RM'000
<i>Current</i>		
Finance lease liabilities	223	223
Bank overdraft	3,914	3,914
Term loans (in RM)	1,369	1,369
Term loans (in SGD)	70	70
	<u>5,576</u>	<u>5,576</u>
<i>Non-current</i>		
Finance lease liabilities	1,424	1,424
Term loans (in RM)	33,933	33,933
Term loans (in SGD)	3,106	3,106
	<u>38,463</u>	<u>38,463</u>
Total	<u><u>44,039</u></u>	<u><u>44,039</u></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

The Board proposed an interim single tier dividend of 1.0 sen per share in respect of the financial year ending 31 December 2018.

The entitlement date and payment date are on 16 August 2018 and 5 September 2018 respectively.

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.

	Current Year Quarter 30.06.2018	Preceding Year Corresponding Quarter 30.06.2017	Current Year To date 30.06.2018	Preceding Year Corresponding Year To Date 30.06.2017
Profit attributable to the owners (RM'000)	98	4,467	(778)	7,472
Weighted average number of ordinary shares in issue ('000)	130,832	130,835	130,832	130,835
Basic earnings per share (sen)	0.07	3.41	-0.59	5.71

Diluted earnings per share is not applicable for the Group.

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

	Current Year Quarter 30.06.2018 RM'000	Preceding Year Corresponding Quarter 30.06.2017 RM'000	Current Year To date 30.06.2018 RM'000	Preceding Year Corresponding Year To Date 30.06.2017 RM'000
<i>After crediting :-</i>				
Interest income	56	80	90	158
Foreign exchange gain - unrealised	-	878	-	1,261
Gain on disposal of property, plant and equipment	286	75	334	75
<i>After charging :-</i>				
Interest expense	545	68	780	404
Depreciation	847	793	1,686	1,647
Provision for slow moving inventories	176	40	347	95
Property, plant and equipment written off	91	16	231	19
Foreign exchange loss - unrealised	174	-	1,270	-

BY ORDER OF THE BOARD

ANDREA HUONG JIA MEI
Company Secretary
MIA 36347

Dated: 28 August 2018