

## STATEMENTS

### A1. First-time Adoption of Malaysian Financial Reporting Standards ("MFRS")

The condensed consolidated interim financial statements ("Report") have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Report also complies with IAS 134: Interim Financial Reporting issued by the International Accounting Standards Board ("IASB"). For the periods up to and including the financial year ended 30 September 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS"). The condensed consolidated interim financial statement should be read in conjunction with the audited financial statement for the financial year ended 30 September 2012.

These are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the financial year ending 30 September 2013. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The explanatory notes attached to this Report 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 September 2012.

In preparing its opening MFRS Statement of Financial Position as at 1 October 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in financial statements prepared in accordance with FRS. An explanation of how the transition from FRS to MFRS has affected the Group's financial position, profit or loss and statement of cash flows is set out in Note A2.1 below. These notes include reconciliations of equity for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS.

### A2. Significant Accounting Policies

#### A2.1 Application of MFRS 1

The audited financial statements of the Group for the financial year ended 30 September 2012 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing this Report are consistent with those of the audited financial statements for the financial year ended 30 September 2012 except as discussed below:

##### (a) Property, plant and equipment

The Group has previously adopted a regular revaluation policy in accordance with FRS 116 Property, Plant and Equipment, of which certain freehold land and buildings were carried at revalued amounts and revaluation was performed at least once in every five years.

The Group has elected to measure all its property, plant and equipment under MFRS 116 Property, Plant and Equipment. At the transition to MFRS, the Group elected to regard the valuation of the said properties as at transition date as the deemed cost at the date of revaluation as this amount was broadly comparable to the fair value at that date. The revaluation surplus of **RM65,075,008** (30 September 2012: **RM65,075,008**; 30 June 2012 :**RM65,437,224**) was transferred to retained profits on the date of transition to MFRS.

#### (b) Investment properties

The Group has previously adopted the fair value model for its investment properties in accordance with FRS 140 Investment Property. Fair values is arrived at by reference to market evidence of transaction prices for similar properties and is derived based on directors' valuation by reference to the existing market condition. Any gains or losses arising from changes in the fair values are recognised in profit or loss in the year in they arise.

Upon transition to MFRS, the Group has elected to measure all its investment properties using the cost model under MFRS 140 Investment Property. At the date of the transition to MFRS, the Group elected to regard the fair value of its investment properties at transition date amounted to **RM70,196,301** as the deemed cost as this amount was broadly comparable to the fair value at that date. This has resulted in additional depreciation charge of **RM606,459** and **RM454,845** on the investment properties for the periods ended 30 September 2012 and 30 June 2012 respectively.

#### (c) Foreign currency translation

Under FRS, the Group recognised translation differences on foreign operations as a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be nil as at the date of transition to MFRS.

Accordingly, at the date of transition to MFRS, the cumulative foreign currency translation differences of **RM446,377** as at 1 October 2011 was adjusted to retained profits as at that date as well as at 30 June 2012 and 30 September 2012.

The reconciliations of equity, total comprehensive income and statement of financial position for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are provided as below:

##### Reconciliation of equity as at 1 October 2011

| <b>RM'000</b>                        | <b>FRS as<br/>at 1.10.11</b> | <b>Effect of<br/>transition<br/>to MFRS</b> | <b>MFRS as<br/>at 1.10.11</b> |
|--------------------------------------|------------------------------|---------------------------------------------|-------------------------------|
| <b>Equity</b>                        |                              |                                             |                               |
| Asset revaluation reserve            | 65,437                       | (65,437)                                    | -                             |
| Foreign currency translation reserve | 447                          | (447)                                       | -                             |
| Retained profits                     | 283,440                      | 65,884                                      | 349,324                       |

June 2012

| <b>RM'000</b>                        | <b>FRS as<br/>at 30.06.12</b> | <b>Effect of<br/>transition<br/>to MFRS</b> | <b>MFRS as<br/>at 30.06.12</b> |
|--------------------------------------|-------------------------------|---------------------------------------------|--------------------------------|
| <b>Equity</b>                        |                               |                                             |                                |
| Asset revaluation reserve            | 65,437                        | (65,437)                                    | -                              |
| Foreign currency translation reserve | 447                           | (447)                                       | -                              |
| Retained profits                     | 294,256                       | 65,429                                      | 359,685                        |

Reconciliation of equity as at 30 September 2012

| <b>RM'000</b>                        | <b>FRS as<br/>at 30.09.12</b> | <b>Effect of<br/>transition<br/>to MFRS</b> | <b>MFRS as<br/>at 30.9.12</b> |
|--------------------------------------|-------------------------------|---------------------------------------------|-------------------------------|
| <b>Equity</b>                        |                               |                                             |                               |
| Asset revaluation reserve            | 65,075                        | (65,075)                                    | -                             |
| Foreign currency translation reserve | 719                           | (719)                                       | -                             |
| Retained profits                     | 295,416                       | 65,188                                      | 360,604                       |

Reconciliation of total comprehensive income as at 30 June 2012

| <b>RM'000</b>                                                      | <b>FRS as<br/>at 30.06.12</b> | <b>Effect of<br/>transition<br/>to MFRS</b> | <b>MFRS as<br/>at 30.06.12</b> |
|--------------------------------------------------------------------|-------------------------------|---------------------------------------------|--------------------------------|
| <b>Total comprehensive income</b>                                  |                               |                                             |                                |
| Other operating expenses                                           | (1,297,242)                   | (455)                                       | (1,296,787)                    |
| Profit before tax                                                  | 22,560                        | (455)                                       | 22,105                         |
| Profit for the period/Total comprehensive<br>income for the period | 12,869                        | (455)                                       | 12,414                         |

Reconciliation of statement of financial position as at 30 September 2012

| <b>RM'000</b>                          | <b>FRS as<br/>at 30.09.12</b> | <b>Effect of<br/>transition<br/>to MFRS</b> | <b>MFRS as<br/>at 30.9.12</b> |
|----------------------------------------|-------------------------------|---------------------------------------------|-------------------------------|
| <b>Statement of financial position</b> |                               |                                             |                               |
| Investment properties                  | 125,772                       | (606)                                       | 125,166                       |

## A2.2 Standards issued but not yet effective

At the date of authorisation of this Report, the following Malaysia Financial Reporting Standards ("MFRSs"), Amendments to MFRSs and IC Interpretation ("IC Int") were issued but not yet effective and have not been applied by the Group:

|                        | Standards and IC Interpretation                                                                  | Effective date |
|------------------------|--------------------------------------------------------------------------------------------------|----------------|
|                        | Financial Statements                                                                             | 1 January 2013 |
|                        | Amendments                                                                                       | 1 January 2013 |
| MFRS 12                | Disclosure of Interests in Other Entities                                                        | 1 January 2013 |
| MFRS 13                | Fair Value Measurement                                                                           | 1 January 2013 |
| MFRS 119               | Employee Benefits (International Accounting Standard ("IAS") 19 as amended by IASB in June 2011) | 1 January 2013 |
| MFRS 127               | Separate Financial Statements                                                                    | 1 January 2013 |
| MFRS 128               | Investments in Associates and Joint Ventures                                                     | 1 January 2013 |
| Amendments to MFRS 1   | Government Loans                                                                                 | 1 January 2013 |
| Amendments to MFRS 7   | Disclosures - Offsetting Financial Assets and Financial Liabilities                              | 1 January 2013 |
| IC Int 20              | Stripping Costs in the Production Phase of a Surface Mine                                        | 1 January 2013 |
| Amendments to MFRS 132 | Offsetting Financial Assets and Financial Liabilities                                            | 1 January 2014 |
| MFRS 9                 | Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)                  | 1 January 2015 |

### A3. Auditors' Report

There were no qualifications on auditors' report of the audited financial statements for the financial year ended 30 September 2012.

### A4. Seasonal or Cyclical Factors

The business operations of the Group are normally performed better in the major festive seasons.

### A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cashflow

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current quarter under review.

### A6. Changes in estimates

There was no material changes in the nature and amount of estimates reported in prior interim period of prior financial year that have a material effect in the current quarter results.

### A7. Changes in Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares or resale of treasury shares during the current quarter under review.

% less 25% tax amounting to RM2,568,884.68 in respect of  
ember 2012 was paid on 19 June 2013.

**A9. Segmental Report**

No segmental analysis is prepared as the Group is primarily engaged in retail operations and related activities in Malaysia.

**A10. Valuation of Property, Plant and Equipment**

The Company has not carried out valuation on its property, plant and equipment in the current financial quarter under review.

**A11. Related Party Transactions**

During the current financial quarter under review and up to the date of this announcement, the Group did not enter into any related party transactions of a revenue or trading nature that has not been included or exceeded the estimated value by 10% or more which had been mandated by the shareholders at the Annual General Meeting held on 28 March 2013.

**A12. Material Events Subsequent to the End of the Period**

There were no material events, which have arisen from the current financial quarter under review to the date of this announcement, which would substantially affect the current financial results of the Group.

**A13 Changes in the Composition of the Group**

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

**A14. Contingent Liabilities and Contingent Assets**

As at 30 June 2013, the Company has given corporate guarantee amounting to RM108,612,000 in respect of banking facilities granted to its subsidiaries.

**A15. Capital Commitments**

As at 30 June 2013, the Group has no material capital commitments in respect of property, plant and equipment.

**Company and its Principal Subsidiaries**

For the quarter under review, the Group's revenue of RM386.88 million was 1.83% or RM7.22 million lower than the revenue in previous corresponding quarter of RM394.10 million. During the same quarter, the Group had recorded a profit before tax of RM3.04 million which was 16.48% higher than the profit before tax of RM2.61 million in the previous corresponding quarter. The increase was mainly attributed to the increase in the other income.

For the 9 months financial period ended 30 June 2013, the Group had achieved revenue of RM1,359.15 million, which was 4.21% or RM54.91 million higher than the revenue in previous corresponding period of RM1,304.24 million.

During the same financial period, the Group recorded a profit before tax of RM27.7 million, which was 25.28% higher than the profit before tax of RM22.11 million in the previous corresponding period. The increase was mainly due to the improvement in revenue, saving in operating cost which derived from the consolidation of certain underperforming outlet with the outlet in the vicinity as well as increase in the other income.

**B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

The Group's revenue for the current quarter under review was RM386.88 million, a decrease of 23.62% from the revenue in preceding quarter of RM506.55 million. Profit before tax for the current quarter under review was RM3.04 million, a decrease of 69.69% as compare to RM10.03 million recorded in the preceding quarter.

The drop in both revenue and profit before tax was mainly due to higher sales recorded during the Chinese New Year festive season in the preceding quarter compared to the absence of the festive seasons in the current quarter under review.

**B3. Prospects for Current Financial Year**

The Group is mindful of the prevailing uncertainties and difficulties in the competitive environment and will continue to implement the rationalization of its operations by enhancing efficiencies and effectiveness of the operations and optimization of the utilization of resources to achieve satisfactory results in the current financial year and challenges ahead.

**B4. Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast nor profit guarantee during the current quarter under review.

|                                          | 30.06.2013<br>RM'000 | 30.06.2012<br>RM'000 |
|------------------------------------------|----------------------|----------------------|
| <b><u>Tax Expense :</u></b>              |                      |                      |
| - Current year                           | 11,746               | 9,691                |
| - Over estimated provision in prior year | -                    | -                    |
|                                          | -----                | -----                |
|                                          | 11,746               | 9,691                |
| <b><u>Deferred Tax :</u></b>             |                      |                      |
| - Current year                           | -                    | -                    |
|                                          | -----                | -----                |
|                                          | 11,746               | 9,691                |
|                                          | =====                | =====                |

The Company's effective tax rate is higher than the statutory tax rate as certain expenses are not deductible for tax purposes.

**B6. Amount Credited/(charged) in the Statements of Comprehensive Income include:**

Profit before tax is arrived at after crediting/(charging) the following :

|                                                                    | Current quarter<br>(RM'000) | Current year to date<br>(RM'000) |
|--------------------------------------------------------------------|-----------------------------|----------------------------------|
| (a) Interest income;                                               | 1,198                       | 2,216                            |
| (b) Other income including investment income;                      | 30,145                      | 26,074                           |
| (c) Interest expense;                                              | (3,125)                     | (9,081)                          |
| (d) Depreciation and amortization;                                 | (9,567)                     | (28,386)                         |
| (e) Provision for and write off of receivables;                    | -                           | -                                |
| (f) Provision for and write off of inventories;                    | -                           | -                                |
| (g) Gain/(loss) on disposal of properties,<br>plant and equipment; | 14                          | 1,979                            |
| (h) Gain/(loss) on disposal of investment;                         | -                           | -                                |
| (i) Impairment of assets;                                          | -                           | -                                |
| (j) Foreign exchange gain/(loss);                                  | -                           | -                                |
| (k) Gain/(loss) on derivatives; and                                | -                           | -                                |
| (k) Exceptional items (with details).                              | -                           | -                                |

**B7. Derivative Financial instruments**

There were no derivative financial instruments as at 30 June 2013.

**B8. Status of Corporate Proposals**

There were no corporate proposals announced by the Group but not completed as at 30 June 2013.



0 June 2013 are as follows:

|                                                           | 30.06.2013<br>RM'000 | 30.06.2012<br>RM'000 |
|-----------------------------------------------------------|----------------------|----------------------|
| <b><u>Long term borrowings (Secured)</u></b>              |                      |                      |
| <b><u>Term Loans</u></b>                                  |                      |                      |
| Total outstanding balances                                | 232,615              | 206,652              |
| Repayments due within the next 12 months                  | (32,034)             | (27,442)             |
|                                                           | -----                | -----                |
|                                                           | 200,581              | 179,210              |
|                                                           | -----                | -----                |
| <b><u>Hire purchase and Finance lease liabilities</u></b> |                      |                      |
| Total outstanding balances                                | -                    | -                    |
| Repayments due within the next 12 months                  | -                    | -                    |
|                                                           | -----                | -----                |
|                                                           | -                    | -                    |
|                                                           | -----                | -----                |
| Total                                                     | 200,581              | 179,210              |
|                                                           | =====                | =====                |
| <b><u>Short term borrowings</u></b>                       |                      |                      |
| <b><u>(Secured)</u></b>                                   |                      |                      |
| Long term loans (current portion)                         | 32,034               | 27,442               |
| Bankers acceptance                                        | -                    | 1,427                |
| Bank overdrafts                                           | -                    | -                    |
|                                                           | -----                | -----                |
| Total                                                     | 32,034               | 28,869               |
|                                                           | =====                | =====                |

All borrowings are in Malaysian Ringgit.

#### **B11. Material Litigation**

The Group is not engaged in any material litigation, either as plaintiff or defendant and the Directors do not know of any proceedings pending or threatened or of any fact likely to give to any proceedings which might adversely affect the position or business of the Group, save for the announcements made on 15 March 2013.

#### **B12. Dividend**

No interim dividend has been recommended by the Board for the financial period ended 30 June 2013.



calculated by dividing the Group's net profit for the period by the weighted average number of ordinary shares in issue during the period, disclosed as follows:-

|                                                                  | <b>9 months<br/>Ended<br/>30 June 2013</b> | <b>9 months<br/>Ended<br/>30 June 2012</b> |
|------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| (i) Net profit attribute to owners of the parent (RM'000)        | 15,955                                     | 12,871                                     |
| (ii) Weighted average number of ordinary shares in issue (n'000) | 68,504                                     | 68,504                                     |
| Basic earnings per share (sen)                                   | 23.30<br>=====                             | 18.80<br>=====                             |

The Company does not have any dilutive potential ordinary shares outstanding as at 30 June 2013. Accordingly, no diluted earnings per share are presented.

#### **B14. Disclosure of Realised and Unrealised Profit/loss**

|                                                                | <b>9 months<br/>Ended<br/>30 June 2013</b> | <b>As at Financial<br/>Year Ended<br/>30 September 2012<br/>(As Restated)</b> |
|----------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------|
|                                                                | <b>(RM'000)</b>                            | <b>(RM'000)</b>                                                               |
| Total retained profits of the Company and its subsidiaries:    |                                            |                                                                               |
| - Realised                                                     | 490,800                                    | 492,074                                                                       |
| - Unrealised                                                   | <u>(8,427)</u>                             | <u>(8,427)</u>                                                                |
|                                                                | 482,373                                    | 483,647                                                                       |
| less: Consolidation adjustments                                | <u>(108,383)</u>                           | <u>(123,043)</u>                                                              |
| Total retained profits as per statements of financial position | 373,990<br>=====                           | 360,604<br>=====                                                              |