



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2016**

	Notes	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Quarter	Current Year- To-Date	Preceding Year-To- Date
		31.12.2016 RM'000	31.12.2015 RM'000	31.12.2016 RM'000	31.12.2015 RM'000
Revenue	A9	33,846	31,593	65,119	65,713
Cost of sales		(23,150)	(22,588)	(45,700)	(47,518)
Gross profit		10,696	9,005	19,419	18,195
Other Income		899	237	1,684	446
Selling and distribution expenses		(1,554)	(1,484)	(3,113)	(2,744)
Administrative expenses		(3,281)	(1,486)	(5,628)	(4,281)
Finance costs		(13)	(227)	(25)	(453)
Profit before tax	B5	6,747	6,045	12,337	11,163
Income tax expense	B6	(1,567)	(1,406)	(2,754)	(2,602)
Profit for the period		5,180	4,639	9,583	8,561
Other comprehensive income, net of tax					
Exchange difference on translation of foreign operation		1	-	1	-
Total comprehensive income for the financial period		5,181	4,639	9,584	8,561
Profit attributable to:					
Owners of the company		5,196	4,619	9,624	8,574
Non-controlling interest		(15)	20	(40)	(13)
Profit for the period		5,181	4,639	9,584	8,561
Earnings per share attributable to Owners of the Company ⁽³⁾					
- Basic (sen)	B12	2.76	3.29	5.12	6.12
- Diluted (sen)	B12	2.76	3.29	5.12	6.12

Notes:

(1) The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016, and the explanatory notes attached to this report.

(2) Based on the weighted average number of ordinary shares in issue as detailed in Note B12.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016**

	(Unaudited) 31.12.2016 RM'000	(Audited) 30.06.2016 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	50,754	50,270
Other assets	269	269
	<u>51,023</u>	<u>50,539</u>
Current Assets		
Inventories	21,786	19,832
Trade receivables	22,302	23,096
Other receivables, deposits and prepayments	1,029	1,357
Derivative assets	-	7
Fixed deposits with licensed banks	19,913	26,515
Short term funds	59,068	36,684
Cash and bank balances	13,604	24,405
	<u>137,702</u>	<u>131,896</u>
TOTAL ASSETS	<u><u>188,725</u></u>	<u><u>182,435</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	94,000	94,000
Reserves	68,919	63,055
	<u>162,919</u>	<u>157,055</u>
Non-controlling interest	(36)	(128)
Equity attributable to owners of the Company	<u>162,883</u>	<u>156,927</u>
LIABILITIES		
Non-Current Liabilities		
Deferred tax liabilities	4,957	4,984
	<u>4,957</u>	<u>4,984</u>
Current Liabilities		
Trade payables	14,898	16,343
Other payables and accruals	3,387	2,474
Amount owing to directors	329	370
Derivative liabilities	33	-
Provision for taxation	2,238	1,337
	<u>20,885</u>	<u>20,524</u>
Total Liabilities	<u>25,842</u>	<u>25,508</u>
TOTAL EQUITY AND LIABILITIES	<u><u>188,725</u></u>	<u><u>182,435</u></u>
Net assets per share attributable to owners of the Company (sen)	<u>86.64</u>	<u>83.47</u>

Notes:

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	←————— Attributable to owners of the Company —————→					Total	Non- controlling Interest	Total Equity
	Share Capital	Revaluation Reserve	Merger Deficit	Share Premium	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 01.07.2016	94,000	10,899	(60,822)	41,702	71,276	157,055	(128)	156,927
Issuance of new shares	-	-	-	-	-	-	132	132
Dividend paid	-	-	-	-	(3,760)	(3,760)	-	(3,760)
Total comprehensive income for the period	-	-	-	-	9,624	9,624	(40)	9,584
At 31.12.2016	94,000	10,899	(60,822)	41,702	77,140	162,919	(36)	162,883

Notes:

(1) The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2016**

	6 months ended 31 December	
	2016	2015
	RM'000	RM'000
Cash flows from/ (for) operating activities		
Profit before tax	12,337	11,163
Adjustments for:		
Depreciation of property, plant and equipment	2,006	1,715
(Gain) /loss on disposal of property, plant and equipment	(133)	(5)
(Gain) /loss on unrealised foreign exchange	(372)	(649)
Interest expense	-	432
Interest income	(1,465)	(312)
Operating profit before working capital changes	<u>12,373</u>	<u>12,344</u>
Changes in working capital:		
Inventories	(1,955)	3,598
Trade and other receivables	1,149	7,248
Trade and other payables	(525)	(2,106)
Cash from operations	<u>11,042</u>	<u>21,174</u>
Interest paid	-	(432)
Income tax paid	(1,882)	(2,068)
Net cash from/ (for) operating activities	<u>9,160</u>	<u>18,674</u>
Cash flows from/ (for) investing activities		
Proceeds from disposal of plant and equipment	152	9
Purchase of plant and equipment	(2,509)	(1,221)
Interest received	1,466	312
Net withdrawal/(placement) of fixed deposits with licensed banks	6,603	(13,037)
Net cash from/ (for) investing activities	<u>5,712</u>	<u>(13,937)</u>
Cash flows from/ (for) financing activities		
Net repayment of term loans	-	(552)
Repayment of hire purchase	-	(49)
Proceeds from issuance of shares	63	#
Advance from a Director	10	150
Dividend paid	(3,760)	-
Net cash from/ (for) investing activities	<u>(3,687)</u>	<u>(451)</u>
Net increase in cash and cash equivalents	11,185	4,286
Effect of foreign exchange translation	399	510
Cash and cash equivalents at beginning of the financial period	<u>61,089</u>	<u>19,769</u>
Cash and cash equivalents at the end of financial period	<u><u>72,673</u></u>	<u><u>24,565</u></u>

Notes:

(1) The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016.

- Represent RM1.00



A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

These interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016.

A2. Significant accounting policies

The significant accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2016. The Group has not applied in advance the following accounting standards (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

MFRSs (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15: Clarifications to MFRS 15 'Revenue from Contracts with Customers'	1 January 2018
Amendments to MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

A3. Auditors' Report

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2016.



A4. Seasonal or cyclical factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors during the current financial quarter under review.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

A6. Changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter under review.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter under review.

A8. Dividend paid

The final single-tier dividend of 2.0 sen per ordinary share amounting to RM3.76 million in respect of the financial year ended 30 June 2016 was approved by the shareholders during the Annual General Meeting on 23 November 2016 and paid on 27 December 2016.

A9. Segmental information

a) Operating segments

The Group's current business activities comprised of two segments namely automotive and aviation segments. Automotive segment focus on the styling, manufacturing, distribution and installation of automotive leather upholstery for car seat covers and accessories covers; whereas aviation segment is involved in the manufacturing, repair, refurbishment, distribution and installation of aircraft seat covers, parts refurbishment and other leather related products. Breakdown of the Group's total revenue by business activities and products as follows:-



	Current		Cumulative	
	Quarter Ended		Quarter Ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	RM'000	RM'000	RM'000	RM'000
<u>AUTOMOTIVE</u>				
Car seat covers				
- OEM	17,141	17,102	32,333	35,991
- REM	6,538	5,066	12,386	9,273
- PDI	4,573	4,940	8,921	9,849
Sub-total for car seat covers	28,252	27,108	53,640	55,113
Leather cut pieces supply	4,193	2,929	8,803	7,658
<u>Others</u>				
- Supply of door trim covers	13	267	64	746
- Sewing of fabric car seat covers	72	87	152	305
- Manufacturing of leather/PVC car accessories covers and miscellaneous seat covers , provision of wrapping and stitching services and supply of raw materials	1,175	967	2,288	1,637
Sub-total for others	1,260	1,321	2,504	2,688
	33,705	31,358	64,947	65,459
<u>AVIATION</u>				
Interior refurbishment	141	235	172	254
Grand Total	33,846	31,593	65,119	65,713

b) Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	Current		Cumulative	
	Quarter Ended		Quarter Ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2016
	RM'000	RM'000	RM'000	RM'000
Malaysia	27,607	27,380	53,399	58,324
Rest of Asia	3,503	760	6,274	1,292
Europe	930	1,581	1,738	2,532
North America	446	458	1,053	1,023
Oceania	1,355	1,414	2,643	2,498
Africa	5	-	12	44
Grand Total	33,846	31,593	65,119	65,713

Note:

OEM – Original Equipment Manufacturer
REM – Replacement Equipment Manufacturer
PDI – Pre-delivery Inspection



A10. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter.

A11. Capital commitments

Authorised capital commitment not provided for as at 31 December 2016 were as follows: -

	RM'000
Construction of an additional storey of production floor area on the existing factory building	<u>4,704</u>

A12. Changes in the composition of the Group

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

A13. Contingent liabilities or contingent assets

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

A14. Materials events subsequent to the end of the quarter

There were no other materials events subsequent to the end of current quarter that have not been reflected in this interim financial report.

A15. Related Party Transactions

The Group's related party transactions for the current quarter and the cumulative quarter ended 31 December 2016 are as follows:

	Current Quarter Ended 31.12.2016 RM'000	Cumulative Quarter Ended 31.12.2016 RM'000
Rental charges to related party		
- Tint Auto (M) Sdn Bhd	<u>54</u>	<u>108</u>

Note:

The related party is a company in which certain Directors and substantial shareholders of the Company have interests.



B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES MALAYSIA BERHAD

B1. Review of performance

For the current quarter under review, the Group recorded a revenue of RM33.85 million and profit before taxation of RM6.75 million.

Revenue from leather car seat covers contributed approximately 83.47% of total revenue followed by leather cut pieces supply which accounted for approximately 12.39% of total revenue during the quarter under review.

OEM leather car seat remained the largest contributor segment accounted for approximately 60.67% of the total revenue for leather car seat covers whilst REM and PDI contributed approximately 23.14% and 16.19% respectively.

The slight increase in revenue for the current quarter was mainly due to rising export sales to Singapore.

B2. Material changes in the quarterly results compared to the immediate preceding quarter

The Group's revenue of RM33.85 million in the current quarter was 8.25% higher than RM31.27 million recorded in the immediate preceding quarter. This was mainly due to the supply of car seat covers for selected new models and slight improvement on export sales to Singapore in the current quarter.

The profit before tax for the Group was higher at RM6.75 million compared to preceding quarter of RM4.40 million in line with the higher revenue.

B3. Prospect

The Board remain cautiously optimistic of the Group's performance going forward in view of the soft domestic automotive market condition. The Group will continue to focus on expanding the export market segment.

B4. Variance of actual profit from profit forecast and profit guarantee

The Group has not issued any profit forecast or profit guarantee in any form of public documentation or announcement.



B5. Profit before taxation

The profit before taxation is stated after charging/(crediting):-

	Current Quarter Ended 31.12.2016 RM'000	Cumulative Quarter Ended 31.12.2016 RM'000
Interest income	(784)	(1,465)
Depreciation and amortisation	1,029	2,006
Gain on disposal of property, plant & equipment	(90)	(133)
Realised foreign exchange loss/(gain)	481	423
Unrealised foreign exchange loss/(gain)	<u>(247)</u>	<u>(372)</u>

Save as disclosed above, the other items as required under paragraph 16 of Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

B6. Taxation

	Current Quarter Ended 31.12.2016 RM'000	Cumulative Quarter Ended 31.12.2016 RM'000
Current tax expense	<u>(1,567)</u>	<u>(2,754)</u>

The effective tax rate for the current quarter is lower than the statutory tax rate of 24% mainly due tax exempt interest income.

B7. Status of Corporate Proposals

There was no corporate proposal announced but not completed as at the date of this report.

B8. Utilization of Proceeds

The status of utilization of the proceeds from the Public Issue of 47,796,000 new ordinary shares at RM1.42 as at 31 December 2016 is as follows:

	Purposes	Estimated Timeframe for utilisation	Amount (RM'000)	Actual Utilization (RM'000)	Deviation (RM'000)
a)	Working capital	Within 12 months	26,970	(26,970)	-
b)	Repayment of bank borrowings	Within 6 months	17,100	(16,967)	133
c)	Purchase of new machineries for the production of car leather seat covers	Within 24 months	7,550	(2,627)	-
d)	Construction of an additional storey of production floor area on the existing factory building	Within 24 months	5,000	(64)	-
e)	Opening of retail outlets	Within 24 months	3,750	-	-
f)	Establishment of market presence in Thailand	Within 24 months	1,500	(10)	-
g)	Expansion of aviation business	Within 24 months	1,000	(172)	-
h)	Estimated listing expenses	Immediate	5,000	(4,111)	889
	Total Public Issue Proceeds		67,870	(50,921)	1,022

Note:

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 29 March 2016.

B9. Group borrowings (secured)

The Group had fully settled all the bank borrowings with the proceeds from IPO as disclosed in Note B8 above.

B10. Material litigation

The Group is not engaged in any material litigation either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Directors do not have any knowledge of any proceeding pending or threatened or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group, as at the date of this report.

B11. Dividend

The Board of Directors proposed an interim single tier dividend of 2 sen per ordinary share in respect of the financial year ending 30 June 2017. The date of entitlement and payment for the aforesaid dividend shall be determined and announced at a later date.



B12. Earnings Per Share ("EPS")

a) Basic earnings per share

The basic earnings per share for the current quarter and financial year-to-date are computed as follows:

	Current Quarter Ended 31.12.2016	Cumulative Quarter Ended 31.12.2016
	RM'000	RM'000
Profit attributable to equity holders	<u>5,196</u>	<u>9,624</u>
Weighted average number of ordinary shares in issue	<u>188,000</u>	<u>188,000</u>
Basic earnings per shares (sen)	<u>2.76</u>	<u>5.12</u>
Diluted earnings per shares (sen)	<u>2.76</u>	<u>5.12</u>

(b) Diluted earnings per share

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial period ended 31 December 2016.

B13. Realised and unrealised profits/(losses)

	As at 31.12.2016 RM'000	As at 30.06.2016 RM'000
Total retained profits / (accumulated losses) of the Group and of the Company:		
- realised	79,226	72,731
- unrealised	<u>(1,914)</u>	<u>(1,287)</u>
	<u>77,312</u>	<u>71,444</u>
Less: Consolidated adjustments	<u>(172)</u>	<u>(168)</u>
	<u>77,140</u>	<u>71,276</u>

BY ORDER OF THE BOARD
23 February 2017