JASA KITA BERHAD *(239256-M)*

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the Quarter Ended 31 December 2015

	Note	Current Quarter		Year To-date	
		31/12/15 3-month	31/12/14 3-month	**31/12/15 9-month**	31/12/14 9-month
		RM'000	RM'000	**RM'000**	RM'000
Revenue	9	**10,077**	13,017	**33,816**	47,594
Cost of sales		**(7,598)**	(9,140)	**(24,770)**	(34,223)
Gross profit		**2,479**	3,877	**9,046**	13,371
Other income		**404**	370	**1,105**	1,181
Other expenses		**(2,995)**	(3,385)	**(8,867)**	(9,132)
Administration expenses		**(103)**	(116)	**(346)**	(378)
Profit/(loss) before tax	10	**(215)**	746	**938**	5,042
Income tax expense	20	**123**	(432)	**(194)**	(1,567)
Profit/(loss) for the period		**(92)**	314	**744**	3,475
Other comprehensive income, net of tax		**-**	-	**-**	-
Total comprehensive income/(loss) for the period		**(92)**	314	**744**	3,475
Total comprehensive income/(loss) attributable to :					
Owners of the parent		**(95)**	316	**743**	3,479
Non-controlling Interest		**3**	(2)	**1**	(4)
		(92)	314	**744**	3,475
Earnings/(loss) per share attributable to owners of the parent					
Basic (sen)	25	**(0.02)**	0.07	**0.17**	0.77

JASA KITA BERHAD *(239256-M)*

Condensed Consolidated Statements of Financial Position

	Note	As at 31/12/15 RM'000	As at 31/03/15 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	**10,685**	10,777
Investment properties		**4,615**	4,622
Intangible asset		**506**	471
Deferred tax assets		**100**	144
Current assets			
Inventories		**21,999**	26,543
Trade receivables		**14,352**	19,264
Non-trade receivables, deposits and prepayments		**1,172**	1,119
Tax recoverable		**884**	-
Investment securities		**5,131**	5,043
Deposits with licensed financial institutions		**32,357**	29,157
Cash and bank balances		**5,823**	5,261
		81,718	86,387
TOTAL ASSETS		**97,624**	102,401
EQUITY AND LIABILITIES			
Share Capital	7	**44,955**	44,955
Retained earnings		**48,012**	48,482
Attributable to Equity holders of the parent		**92,967**	93,437
Non-controlling Interest		**(125)**	9
TOTAL EQUITY		**92,842**	93,446
Current liabilities			
Trade payables		**2,392**	7,391
Non-trade payables and accruals		**2,390**	892
Tax payable		**-**	672
		4,782	8,955
TOTAL EQUITY AND LIABILITIES		**97,624**	102,401
Net assets per share (RM)		**0.21**	0.21

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes.

JASA KITA BERHAD *(239256-M)*

Condensed Consolidated Statements of Changes in Equity
For the Quarter Ended 31 December 2015

	<---- Attributable to Owners of the Company ---->				
	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
At 1 April 2014	44,955	44,782	89,737	16	89,753
Profit for the period represents total comprehensive income for the period	-	3,479	3,479	(4)	3,475
Dividend paid	-	(1,348)	(1,348)	-	(1,348)
At 31 December 2014	44,955	46,913	91,868	12	91,880
At 1 April 2015	44,955	48,482	93,437	9	93,446
Adjustment to previous years' Non-controlling Interest losses	-	135	135	(135)	-
Profit for the period represents total comprehensive income for the period	-	743	743	1	744
Dividend paid	-	(1,348)	(1,348)	-	(1,348)
At 31 December 2015	**44,955**	**48,012**	**92,967**	**(125)**	**92,842**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes.

JASA KITA BERHAD *(239256-M)*

Condensed Consolidated Statements of Cash Flows
For the Quarter Ended 31 December 2015

	9-month 31/12/15 RM'000	9-month 31/12/14 RM'000
Cash flows from operating activities		
Profit before taxation	938	5,042
Adjustments for:		
Depreciation of property, plant and equipment	544	556
Gain on disposal of property, plant and equipment	(14)	(19)
Increase in net provision for doubtful and bad debts	-	464
Inventories written down	-	238
Unrealised foreign exchange gain	(13)	-
Investment income	(88)	-
Interest income	(552)	(788)
Operating profit before changes in working capital	815	5,493
Changes in working capital:		
Inventories	4,544	1,044
Receivables	4,859	(1,405)
Payables	(3,488)	(5,152)
Cash generated from operations	6,730	(20)
Taxation paid	(1,708)	(1,520)
Net cash from/(used in) operating activities	5,022	(1,540)
Cash flows from investing activities		
Purchase of property, plant and equipment	(479)	(195)
Purchase of investment securities	-	(5,000)
Proceeds from disposal of property, plant and equipment	15	21
Interest received	552	788
Net cash from/(used in) investing activities	88	(4,386)
Cash flows from financing activities		
Dividend paid	(1,348)	(1,348)
Net cash used in financing activities	(1,348)	(1,348)
Net increase/(decrease) in cash and cash equivalents	3,762	(7,274)
Cash and cash equivalents as at 1 April	34,418	39,078
Cash and cash equivalents as at end of period	38,180	31,804
Cash and cash equivalents comprise the following amounts:		
Deposits with licensed banks	32,357	26,757
Cash and bank balances	5,823	5,047
	38,180	31,804

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 March 2015)

Part A - Explanatory Notes

1 Basis of Preparation

The 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 Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015. The 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 March 2015.

2 Significant Accounting Policies

The significant accounting policies and computation methods are consistent with those of the audited financial statements for the year ended 31 March 2015.

The following MFRSs, Amendments to MFRSs and IC Interpretation have been issued by the MASB but are not yet effective for and have not been applied by the Group:

<u>Effective for annual periods commencing on or after 1 January 2016</u>

Amendments to MFRS 127: Equity method in Separate Financial Statements

Amendments to MFRS 10 and MFRS 128: Sale or Contributions of Assets between an Investor and its Associate or Joint Venture

Annual Improvements to MFRSs 2012-2014 Cycle

Amendments to MFRS 101: Disclosure Initiatives

Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception

<u>Effective for annual periods commencing on or after 1 January 2017</u>

MFRS 15 Revenue from Contracts with Customers

<u>Effective for annual periods commencing on or after 1 January 2018</u>

MFRS 9 Financial Instruments (2014)

The amendments to MFRS 127 allow an entity to use the equity method in its separate financial statement to account for investments in subsidiary companies, joint ventures and associated companies, in addition to the existing cost method. The adoption of the amendments to MFRS 119 will not have any financial impact to the Group as it will continue to use its existing cost method to account for its investments in subsidiary companies and associated companies.

The amendments to MFRS 10 and MFRS 128 address the inconsistency between the requirements of MFRS 10 and MFRS 128 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a businesss. The adoption of these amendments are not expected to have any material impact on the financial statements of the Group.

The Annual Improvements to MFRSs 2012-2014 Cycle consist of the following amendments:

a) MFRS 5: Non-current Assets Held for Sale and Discontinued Operations

The amendment introduces specific guidance in MFRS for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution is discontinued. The amendment clarifies that changing from one of these disposal methods to the other should not be considered to be a new plan of disposal and that changing the disposal method does not change the date of classification.

b) MFRS 7: Financial Instruments: Disclosures

MFRS 7 requires an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognised in its entirety. The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset and an entity must assess the nature of the fee and arrangement in order to assess whether the disclosures are required. The amendments also clarify the applicability of the amendments to MFRS 7 on offsetting disclosures to condensed interim financial statements.

Part A - Explanatory Notes

2 Significant Accounting Policies

c) MFRS 119: Employee Benefits

The amendment clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. When there is no deep market for high quality corporate bonds, government bonds denominated in similar currency must be used.

d) MFRS 134: Interim Financial Reporting

The amendment clarifies the meaning of 'elsewhere in the interim financial report' as used in MFRS 134 and states that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and some other statement that is available to users of financial statements on the same terms and at the same time.

The adoption of the Annual Improvements to MFRSs 2012-2014 Cycle is not expected to have any material impact on the financial statements of the Group.

The amendments to MFRS 101 aim to improve the presentation and disclosure in the financial statements and are designed to encourage companies to apply professional judgement in determining what information to disclose and how to structure it in their financial statements. Since the amendments only affect disclosures, the adoption of these amendments is not expected to have any financial impact on the Group.

The amendments to MFRS 10, MFRS 12 and MFRS 128 address issues that have arisen in the application of the consolidation exception for investment entities and provide relief in certain circumstances. The amendments clarify the exemption from preparing consolidated financial statements for an intermediate parent entity, a subsidiary providing services that support the parent's investment activities, application of the equity method by a non-investment entity that has an interest in an associate or joint venture that is an investment entity, and the disclosures required. The adoption of these amendments is not expected to have any impact on the financial statements of the Group.

MFRS 15 establishes principles that an entity shall apply to report useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The core principle of MFRS 15 is that an entity recognises revenue in a manner which reflects the consideration an entity expects to be entitled in exchange for goods or services. The adoption of MFRS 15 is not expected to have any material impact on the financial statements of the Group.

MFRS Financial Instruments (2014)

This final version of MFRS 9 replaces all previous versions of MFRS 9. Retrospective application is required, but comparative information is not compulsory. The standard introduces new requirements for classification and measurement of financial instruments, impairment of financial assets and hedge accounting. The approach for classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held with two measurement categories - amortised cost and fair value. For impairment, MFRS 9 introduces an expected-loss impairment model which will require more timely recognition of expected credit losses to reflect changes of credit risk of financial instruments. For hedge accounting, MFRS 9 establishes a more principle-based approach that aligns the accounting treatment with risk management activities so that entities can reflect these activities in their financial statements. The standard does not explicitly address macro hedge accounting, which is being considered in a separate project. MFRS 9 introduces significant changes in the way the Group accounts for financial instruments. Due to the complexity of the standard and its requirements, the financial effects of its adoption are still being assessed by the Group.

3 Auditors' Report

The auditors' report on the financial statements for the year ended 31 March 2015 was not subject to any qualification.

4 Seasonality or Cyclical Factors

There were no material factors of a seasonal or cyclical nature which affected the operations of the Group during the current financial quarter and financial year.

Part A - Explanatory Notes

5 Unusual Items

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

6 Changes in Estimates

There were no other changes in estimates of amounts reported previously, that would have had a material effect on the figures reported in the current financial year.

7 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review and financial year.

8 Dividend Payment

The Group made a first and final single-tier dividend payment of 3% per ordinary share of RM0.10 each totalling RM1,348,650 in respect of the financial year ended 31 March 2015, on 8 October 2015.

9 Segment Information

	31/12/15 3-month RM'000	31/12/14 3-month RM'000	**31/12/15 9-month RM'000**	31/12/14 9-month RM'000
Segment Revenue				
Investment holding	-	-	-	-
Distribution of industrial tools and motors	9,163	12,123	31,367	45,169
Logistics related services	914	894	2,449	2,425
Others	42	42	126	126
Total including inter-segment sales	10,119	13,059	33,942	47,720
Elimination of inter-segment sales	(42)	(42)	(126)	(126)
Total	10,077	13,017	33,816	47,594
Segment Results (Profit before tax)				
Investment holding	115	117	268	450
Distribution of industrial tools and motors	(738)	496	(70)	4,202
Logistics related services	231	179	378	325
Others	(81)	(390)	104	(279)
	(473)	402	680	4,698
Eliminations	258	344	258	344
Total	(215)	746	938	5,042

10 Profit before tax

The following amounts have been included in arriving at profit before tax :

		31/12/15 3-month RM'000	31/12/14 3-month RM'000	**31/12/15 9-month RM'000**	31/12/14 9-month RM'000
(a)	Interest income	254	235	552	788
(b)	Interest expense	-	-	-	-
(c)	Depreciation and amortization	(187)	(274)	(544)	(556)
(d)	Provision for/write-off of receivables	-	(464)	-	(464)
(e)	Provision for/write-off of inventories	-	(238)	-	(238)
(f)	Gain/(loss) on disposal of quoted/ unquoted investments/properties	14	8	14	19
(g)	Impairment of assets	-	-	-	-
(h)	Foreign exchange gain/(loss)	79	13	95	30
(i)	Gain/(loss) on derivatives	-	-	-	-
(j)	Exceptional items	-	-	-	-

Part A - Explanatory Notes

11 Valuation of Assets

There has been no revaluation of property, plant and equipment as the Group does not adopt a revaluation policy on the said assets.

12 Subsequent Events

There were no material events subsequent to the end of the financial period, that have not been reflected in the financial statements for the reporting quarter and financial year.

13 Changes in Group Composition

There were no changes in the composition of the Group during the financial year.

14 Capital Commitments

There were no material capital commitments not provided for as at the end of the reporting quarter.

15 Contingent Liabilities and Assets

Corporate guarantees given to a licensed financial institution in respect of facilities utilised by a subsidiary company as at the end of the current financial quarter amounted to RM2.503 million.

Part B - Explanatory Notes *(Appendix 9B of Listing Requirements of BMSB)*

16 Review of Performance

Distribution of industrial tools and motors- Sales of electric power tools for the nine-month period fell by 38% to RM22.7 million from that of RM36.5 million for the previous year. Current quarter sales also dropped by 40% to RM5.6 million compared to that for the corresponding quarter last year. The lower revenue and margins resulted in a decline in gross profit contributed by the said division, arising from increased competition from more distributors in the distribution of Makita power tools.

Non-electric hand tools generated a higher turnover of RM4.3 million and RM1.8 million for the year-to-date and current quarter, respectively, while margins were generally lower mainly due to the weakness of the Ringgit for its imports, in comparison with those for the previous year. Sales of electric motors for the year-to-date period was maintained at last year's amount of RM4.3 million.

Logistics related services - Revenue from the logistics division for the current quarter and year-to-date period was marginally higher than the previous year, contributing a gross profit of RM0.7 million for the nine months of the current financial year, similar to that for the earlier year.

17 Current vs Preceding Quarter Results

The current quarter's revenue of RM10.0 million was 17% lower than that of RM12.1 million for the preceding quarter, with a lower gross profit of RM2.5 million against RM3.2 million for the comparative period in line with the lower revenue reported. The fall in revenue was mainly due to lower sales of Makita power tools arising from more distributors and increased market competition. As a result, the current quarter reported a loss before tax of RM215,000 compared to a profit before tax of RM256,000 in the preceding quarter.

18 Commentary on Prospects

The final quarter of the current financial year is expected to be as challenging as that of the current quarter in terms of revenue and margins, given the continued weakness of the local currency and the increasing sales competition plus anticipated subdued purchasing activities by dealers in the festive holidays.

19 Profit Forecast and Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

Part B - Explanatory Notes

20 Taxation

	31/12/15 3-month RM'000	31/12/14 3-month RM'000	31/12/15 9-month RM'000	31/12/14 9-month RM'000
Income tax - current year	**(163)**	274	**243**	1,420
(Over)/under-provided in prev. years	**5**	158	**(92)**	158
Deferred tax - originating & reversal	**35**	23	**16**	1
Change in tax rates	**-**	-	**5**	-
(Over)/under-provided in prev. years	**-**	(23)	**22**	(12)
Tax expense	**(123)**	432	**194**	1,567
Profit before taxation	**(215)**	746	**938**	5,042
Tax at 24% (previous year - 25%)	**(51)**	186	**226**	1,261
Income tax (over)/under-provided	**5**	158	**(92)**	158
Change in tax rates	**-**	-	**5**	-
Deferred tax under/(over)prov.	**-**	(23)	**22**	(12)
Unrecognized losses brought forward utilized	**(73)**	27	**(101)**	(14)
Effects of transactions :-				
Non-deductible expenses	**17**	84	**155**	174
Income not taxable	**(21)**	-	**(21)**	-
Tax expense	**(123)**	432	**194**	1,567

The effective tax rate for the current financial quarter was higher than the statutory rate due to previously unrecognized tax losses now utilized and that for the year-to-date, lower due to over-provision of income tax in the previous year.

21 Corporate Proposals

There were no corporate proposals announced but not completed at the latest practicable date, which is not earlier than seven days from the date of issue of this quarterly report.

22 Group Borrowings

There were no borrowings as at the end of the current financial quarter.

23 Material Litigation

No new material litigation has arisen nor were there any material changes to any case which had been pending since the last annual balance sheet date.

24 Dividends

The Board has not recommended any dividend payment for the current financial quarter.

Part B - Explanatory Notes

25 Earnings Per Share

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	31/12/15 3-month	31/12/14 3-month	**31/12/15 9-month**	31/12/14 9-month
Profit attributable to ordinary equity holders of the parent (RM'000)	**(95)**	316	**743**	3,479
Weighted average number of ordinary shares in issue ('000)	**449,550**	449,550	**449,550**	449,550
Basic earnings per share (sen)	**(0.02)**	0.07	**0.17**	0.77

26 Realised and Unrealised Profits/Losses

	As at **31/12/15** **RM'000**	As at 31/03/15 RM'000
Total retained profits of the parent and its subsidiaries:		
- Realised	**47,912**	48,338
- Unrealised	**100**	144
Total Group retained profits as per consolidated accounts	**48,012**	48,482

By order of the Board
Jasa Kita Berhad

Woo Hin Weng
Executive Director

Kuala Lumpur
Date : 19 February 2016