JASA KITA BERHAD *(239256-M)*

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the Quarter Ended 30 September 2016

	Note	Current Quarter		Year To-date	
		30/09/16 3-month	30/09/15 3-month	**30/09/16 6-month**	30/09/15 6-month
		RM'000	RM'000	**RM'000**	RM'000
Revenue	9	**7,738**	12,120	**18,597**	23,739
Cost of sales		**(5,845)**	(8,881)	**(14,305)**	(17,172)
Gross profit		**1,893**	3,239	**4,292**	6,567
Other income		**422**	363	**834**	701
Other expenses		**(2,153)**	(3,213)	**(4,652)**	(5,872)
Administration expenses		**(83)**	(133)	**(192)**	(243)
Finance costs		**-**	-	**-**	-
Profit before tax	10	**79**	256	**282**	1,153
Income tax expense	20	**(202)**	(100)	**(262)**	(317)
Profit/(loss) for the period		**(123)**	156	**20**	836
Other comprehensive income, net of tax		**-**	-	**-**	-
Total comprehensive income/(loss) for the period		**(123)**	156	**20**	836
Total comprehensive income/(loss) attributable to :					
Owners of the parent		**(122)**	157	**21**	838
Non-controlling Interest		**(1)**	(1)	**(1)**	(2)
		(123)	156	**20**	836
Earnings/(loss) per share attributable to owners of the parent					
Basic (sen)	25	**(0.03)**	0.03	**0.00**	0.19

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes.

JASA KITA BERHAD *(239256-M)*

Condensed Consolidated Statements of Financial Position

	Note	As at 30/09/16 RM'000	As at 31/03/16 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	**10,567**	10,720
Investment properties		**4,532**	4,562
Intangible asset		**467**	494
Current assets			
Inventories		**16,252**	19,644
Trade receivables		**9,684**	11,924
Non-trade receivables, deposits and prepayments		**770**	1,237
Tax recoverable		**1,304**	929
Investment securities		**5,268**	5,220
Deposits with licensed financial institutions		**38,899**	33,899
Cash and bank balances		**6,366**	6,554
		78,543	79,407
TOTAL ASSETS		**94,109**	95,183
EQUITY AND LIABILITIES			
Share Capital	7	**44,955**	44,955
Retained earnings		**46,584**	46,563
Attributable to Equity holders of the parent		**91,539**	91,518
Non-controlling Interest		**(127)**	(126)
TOTAL EQUITY		**91,412**	91,392
Non-current liabilities			
Deferred tax liabilities		**81**	48
Current liabilities			
Trade payables		**1,591**	2,581
Non-trade payables and accruals		**1,025**	1,162
		2,616	3,743
TOTAL LIABILITIES		**2,697**	3,791
TOTAL EQUITY AND LIABILITIES		**94,109**	95,183
Net assets per share (RM)		**0.20**	0.20

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes.

JASA KITA BERHAD *(239256-M)*

Condensed Consolidated Statements of Changes in Equity
For the Quarter Ended 30 September 2016

	<-- 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 2015	44,955	48,617	93,572	(126)	93,446
Profit for the period represents total comprehensive income for the period	-	838	838	(2)	836
At 30 September 2015	44,955	49,455	94,410	(128)	94,282
At 1 April 2016	44,955	46,563	91,518	(126)	91,392
Profit for the period represents total comprehensive income for the period	-	21	21	(1)	20
At 30 September 2016	**44,955**	**46,584**	**91,539**	**(127)**	**91,412**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2016 and the accompanying explanatory notes.

JASA KITA BERHAD *(239256-M)*

Condensed Consolidated Statements of Cash Flows
For the Quarter Ended 30 September 2016

	6-month 30/09/16 RM'000	6-month 30/09/15 RM'000
Cash flows from operating activities		
Profit before taxation	282	1,153
Adjustments for:		
Depreciation of property, plant and equipment	312	357
Gain on disposal of property, plant and equipment	(7)	(14)
Reversal of impairment - trade receivables	(450)	-
Unrealised foreign exchange loss/(gain)	12	(9)
Distribution income from investment securities	(48)	(87)
Interest income	(408)	(298)
Operating profit before changes in working capital	(307)	1,102
Changes in working capital:		
Inventories	3,392	4,435
Receivables	3,157	2,287
Payables	(1,139)	(4,170)
Cash generated from operations	5,103	3,654
Taxation paid	(605)	(599)
Net cash from operating activities	4,498	3,055
Cash flows from investing activities		
Purchase of property, plant and equipment	(214)	(287)
Proceeds from disposal of property, plant and equipment	120	15
Interest received	408	298
Net cash from investing activities	314	26
Net increase in cash and cash equivalents	4,812	3,081
Cash and cash equivalents as at 1 April	40,453	34,418
Cash and cash equivalents as at end of period	45,265	37,499
Cash and cash equivalents comprise the following amounts:		
Deposits with licensed banks	38,899	27,557
Cash and bank balances	6,366	9,942
	45,265	37,499

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 March 2016)

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 2016. 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 2016.

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 2016, except for the adoption of the following Amendments to MFRS during the current financial period:

Effective for annual periods commencing on or after 1 January 2016

- Equity method in Separate Financial Statements (Amendments to MFRS 127)

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 is not expected to have any 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 Annual Improvements to MFRSs 2012-2014 Cycle consist of the following amendments:

a) MFRS 7: Financial Instruments: Disclosures

The amendment 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.

b) 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.

c) 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.

- Amendments to MFRS 101 Disclosure Initiative

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.

- Amendments to MFRS 116 Clarification of Acceptable Methods of Depreciation and Amortisation

Adoption of the above amendments is not expected to have any financial impact on the Group.

Part A - Explanatory Notes

2 Significant Accounting Policies *(Cont'd)*

The followng MFRSs and Amendments to MFRSs have been issued by the MASB but are not yet effective for the Group:

Effective for annual periods commencing on or after 1 January 2018

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

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 9 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 2016 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.

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

No dividend payment was proposed in the current quarter.

Part A - Explanatory Notes

9 Segment Information

	30/09/16 3-month	30/09/15 3-month	30/09/16 6-month	30/09/15 6-month
	RM'000	RM'000	**RM'000**	RM'000
Segment Revenue				
Investment holding	-	-	-	-
Distribution of industrial tools and motors	6,909	11,346	16,840	22,204
Logistics related services	829	774	1,757	1,535
Others	27	42	54	84
Total including inter-segment sales	7,765	12,162	18,651	23,823
Elimination of inter-segment sales	(27)	(42)	(54)	(84)
Total	7,738	12,120	18,597	23,739
Segment Results - Profit/(loss) before tax				
Investment holding	8	43	126	153
Distribution of industrial tools and motors	(247)	31	(552)	668
Logistics related services	122	61	314	147
Others	110	121	222	185
	(7)	256	110	1,153
Eliminations	86	-	172	-
Total	79	256	282	1,153

10 Profit before tax

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

		30/09/16 3-month	30/09/15 3-month	30/09/16 6-month	30/09/15 6-month
		RM'000	RM'000	**RM'000**	RM'000
(a)	Interest income	200	89	408	298
(b)	Interest expense	-	-	-	-
(c)	Depreciation and amortization	(155)	(215)	(312)	(357)
(d)	Write-back of provision for receivables	450	-	450	-
(e)	Provision for/write-off of inventories	-	-	-	-
(f)	Gain/(loss) on disposal of quoted/ unquoted investments/properties	-	14	7	14
(g)	Impairment of assets	-	-	-	-
(h)	Foreign exchange gain/(loss)	24	29	-	16
(i)	Gain/(loss) on derivatives	-	-	-	-
(j)	Exceptional items	-	-	-	-

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.

16 Review of Performance

Distribution of industrial tools and motors- Total turnover for the segment fell by 39% and 24% from the corresponding quarter and first half-year period of the previous year respectively. This was attributable to greater market competition due to the existence of more authorised Makita tools dealers under the multiple-distribution channel business model of the principal. Coupled with this, margins have also dropped, resulting in the segment's pre-tax loss of RM0.55 million for six months to-date against a profit before tax of RM0.67 million for the comparative period last year. Nevertheless, the mechanic and air tools division reported a 22% and 19% jump in sales compared to corresponding quarter and six-month period, respectively of the previous year, while electric motor sales also reported an increase in turnover for the reporting periods over those of the previous year.

Logistics related services - Revenue from the logistics division were higher for the reporting quarter and year to-date, in comparison with the year before, posting an increase of 14% to RM1.7 million over that for first half of the previous year and contributing RM537,000 in gross profit for same period this year.

17 Current vs Preceding Quarter Results

Total revenue for the current quarter amounting to RM7.7 million was 29% lower than that for the preceding quarter of RM10.8 million, mainly due to decreased sales of Makita tools. The logistics division also reported a lower revenue, whereas sales of both mechanic tools and electric motors were higher; overall gross profits fell 21% to RM1.9 million from RM2.4 million from the preceding quarter.

18 Commentary on Prospects

The anticipated slower growth of the economy will negatively impact the overall demand for the Group's products, and coupled with continued cost pressure on margins and possibly aggravated market competition - the Group does not expect the operating environment in the second half of the current financial year to be less challenging than that for the first six-month period reported .

19 Profit Forecast and Guarantee

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

20 Taxation

	30/09/16	30/09/15	**30/09/16**	30/09/15
	3-month	3-month	**6-month**	6-month
	RM'000	RM'000	**RM'000**	RM'000
Income tax - current year	**130**	189	**229**	406
(Over)/under-provided in prev. years	**-**	(97)	**-**	(97)
Deferred tax - originating & reversal	**72**	(19)	**33**	(19)
Change in tax rates	**-**	5	**-**	5
(Over)/under-provided in prev. years	**-**	22	**-**	22
Tax expense	**202**	100	**262**	317
Profit before taxation	**79**	256	**282**	1,153
Tax at 24% (previous year - 24%)	**19**	62	**68**	277
Income tax (over)/under-provided	**-**	(97)	**-**	(97)
Change in tax rates	**-**	5	**-**	5
Deferred tax under/(over)prov.	**-**	22	**-**	22
Unrecognized losses brought forward utilized	**-**	(20)	**-**	(28)
Deferred tax not recognized	**147**	-	**147**	-
Non-deductible expenses	**48**	128	**59**	138
Income not taxable	**(12)**	-	**(12)**	-
Tax expense	**202**	100	**262**	317

The effective tax rates for the current financial quarter and period to-date were higher than the statutory rate due to certain non-deductible expenses for income tax purposes and non-recognition of deferred tax due to uncertainty of its recoverability.

JASA KITA BERHAD *(239256-M)*

Part B - Explanatory Notes *(Cont'd)*

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.

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.

	30/09/16 3-month	30/09/15 3-month	**30/09/16 6-month**	30/09/15 6-month
Profit/(loss) attributable to ordinary equity holders of the parent (RM'000)	**(122)**	157	**21**	838
Weighted average number of ordinary shares in issue ('000)	**449,550**	449,550	**449,550**	449,550
Basic earnings/(loss) per share (sen)	**(0.03)**	0.03	**0.00**	0.19

26 Realised and Unrealised Profits/Losses

	As at **30/09/16** **RM'000**	As at 31/03/16 RM'000
Total retained profits of the parent and its subsidiaries:		
- Realised	**46,665**	46,611
- Unrealised	**(81)**	(48)
Total Group retained profits as per consolidated accounts	**46,584**	46,563

By order of the Board
Jasa Kita Berhad

Woo Hin Weng
Executive Director

Kuala Lumpur
Date : 15 November 2016