



**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the Third Quarter Ended 31 December 2017**

	Note	Current Quarter		Year To-date	
		<u>31/12/17</u>	<u>31/12/16</u>	<u>31/12/17</u>	<u>31/12/16</u>
		3-month	3-month	9-month	9-month
		RM'000	RM'000	RM'000	RM'000
Revenue	9	6,121	8,520	19,102	27,117
Cost of sales		(4,619)	(6,615)	(14,208)	(20,920)
Gross profit		1,502	1,905	4,894	6,197
Other income		316	573	1,216	1,407
Other operating expenses		(2,943)	(2,739)	(8,002)	(7,391)
Administrative expenses		(148)	(114)	(333)	(306)
Loss before tax	10	(1,273)	(375)	(2,225)	(93)
Income tax expense	20	(121)	(194)	(429)	(456)
Loss for the period		(1,394)	(569)	(2,654)	(549)
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive loss for the period		(1,394)	(569)	(2,654)	(549)
Total comprehensive loss attributable to :					
Owners of the parent		(1,393)	(569)	(2,653)	(548)
Non-controlling Interest		(1)	-	(1)	(1)
		(1,394)	(569)	(2,654)	(549)
Loss per share attributable to owners of parent:					
Basic (sen)	25	(0.31)	(0.13)	(0.59)	(0.12)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes.



Condensed Consolidated Statements of Financial Position

	Note	As at <u>31/12/17</u> RM'000	As at <u>31/03/17</u> RM'000
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	11	10,836	10,603
Investment properties		4,457	4,502
Intangible asset		414	450
<u>Current assets</u>			
Inventories		16,616	15,577
Trade receivables		7,255	11,029
Non-trade receivables, deposits and prepayments		3,079	1,774
Tax recoverable		1,490	1,368
Investment securities		-	5,387
Deposits with licensed financial institutions		37,582	29,682
Cash and bank balances		2,956	12,396
		68,978	77,213
TOTAL ASSETS		84,685	92,768
EQUITY AND LIABILITIES			
Share Capital	7	44,955	44,955
Retained earnings		37,847	40,500
Attributable to Equity holders of the parent		82,802	85,455
Non-controlling Interest		(130)	(129)
TOTAL EQUITY		82,672	85,326
<u>Non-current liabilities</u>			
Deferred tax liabilities		77	88
<u>Current liabilities</u>			
Trade payables		645	1,925
Non-trade payables and accruals		1,291	934
Dividend payable		-	4,495
		1,936	7,354
TOTAL LIABILITIES		2,013	7,442
TOTAL EQUITY AND LIABILITIES		84,685	92,768
Net assets per share (RM)		0.18	0.19

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes.

**Condensed Consolidated Statements of Changes in Equity
For the Third Quarter Ended 31 December 2017**

	<--- Attributable to Owners of the Company --->			Non-Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000		
<u>At 1 April 2016</u>	44,955	46,564	91,519	(127)	91,392
Profit for the period represents total comprehensive income for the period	-	(548)	(548)	(1)	(549)
Dividend paid	-	(1,349)	(1,349)	-	(1,349)
At 31 December 2016	44,955	44,667	89,622	(128)	89,494
<u>At 1 April 2017</u>	44,955	40,500	85,455	(129)	85,326
Profit for the period represents total comprehensive income for the period	-	(2,653)	(2,653)	(1)	(2,654)
Dividend paid/payable	-	-	-	-	-
At 31 December 2017	44,955	37,847	82,802	(130)	82,672

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes.

**Condensed Consolidated Statements of Cash Flows**
For the Third Quarter Ended 31 December 2017

	9-month <u>31/12/17</u> RM'000	9-month <u>31/12/16</u> RM'000
Cash flows from operating activities		
Loss before taxation	(2,225)	(93)
Adjustments for:		
Depreciation of property, plant and equipment	437	428
Amortisation of intangible asset	42	41
Gain on disposal of property, plant and equipment	-	(7)
Decrease in net provision for doubtful and bad debts	-	(457)
Unrealised foreign exchange loss/(gain)	17	(12)
Distribution income from investment securities	(124)	(88)
Interest income	(634)	(740)
Operating loss before changes in working capital	<u>(2,487)</u>	<u>(928)</u>
Changes in working capital:		
Inventories	(1,039)	5,054
Receivables	2,469	1,897
Payables	(940)	(1,120)
Cash generated from/(used in) operations	<u>(1,997)</u>	<u>4,903</u>
Taxation paid	(563)	(842)
Net cash from/(used in) operating activities	<u>(2,560)</u>	<u>4,061</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(632)	(447)
Net proceeds from investment securities	5,512	-
Proceeds from disposal of property, plant and equipment	1	121
Increase in fixed deposits	-	1,017
Interest received	634	740
Net cash from investing activities	<u>5,515</u>	<u>1,431</u>
Cash flows from financing activities		
Dividend paid	(4,495)	(1,349)
Net cash used in financing activities	<u>(4,495)</u>	<u>(1,349)</u>
Net increase/(decrease) in cash and cash equivalents	(1,540)	4,143
Cash and cash equivalents as at 1 April	<u>27,696</u>	<u>25,054</u>
Cash and cash equivalents as at end of period	<u>26,156</u>	<u>29,197</u>
Cash and cash equivalents comprise the following amounts:		
Deposits with licensed banks	23,200	24,800
Cash and bank balances	2,956	4,397
	<u>26,156</u>	<u>29,197</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes)



Part A - Explanatory Notes Pursuant to MFRS 134

1 Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with MFRS 134 : *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K 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 2017. 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 2017.

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

- Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2014-2016 Cycle"

a) Effective for annual periods commencing on or after 1 January 2017

- Amendments to MFRS 12 Disclosure of Interest in Other Entities

b) Effective for annual periods commencing on or after 1 January 2018

- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards

- Amendments to MFRS 128 Investments in Associates and Joint Ventures

The aforesaid Annual Improvements consist of the following amendments:

- Amendments to MFRS 12 Disclosure of Interests in Other Entities

The amendments clarify that an entity is not required to disclose summarized financial information for subsidiary, joint venture or associate when it is classified as held for sale in accordance with MFRS5.

- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards

The amendments remove certain provisions from the Standard that have served their intended purposes and are no longer required.

- Amendments to MFRS 128 Investments in Associates and Joint Ventures

The amendments clarify that when an investment in an associate or joint venture is held by an entity which is a venture capital organization, or a mutual fund, unit trust or similar entities, the entity may elect to ensure that investment at fair value on an investment by investment basis in accordance with the Standard.

The adoption of the aforesaid Annual Improvements did not have any financial impact on the financial statements of the Group.

- MFRS 15 Revenue from Contracts with Customers

- MFRS 9 Financial Instruments (2014)

- Transfers of Investment Property (Amendments to MFRS 140)

- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

- Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts (Amendments to MFRS4)

c) Effective for annual periods commencing on or after 1 January 2019

- MFRS 16 Leases



Part A - Explanatory Notes Pursuant to MFRS 134

2 (contd.)

A brief description of the above standard, amendments and interpretations is set out as follows:

MFRS 15 Revenue from Contracts with Customers

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.

Transfers of Investment Property (Amendments to MFRS 140)

The amendments clarify the existing provisions in the Standard on transfer to, or from the investment property category. The adoption of these amendments is not expected to have any material financial impact on the financial statements of the Group.

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

The IC Interpretation addresses the issue on which exchange rate is to be used in reporting foreign currency transactions that involve advance consideration paid or received. The adoption of the IC Interpretation is not expected to have any material financial impact on the financial statements of the Group.

Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts (Amendments to MFRS 4)

The amendments address issues relating to transitional changes pending the issuance of MFRS 17 on insurance contracts and also introduce two additional voluntary options. The adoption of these amendments is not expected to have any material financial impact on the financial statements of the Group.

MFRS 16 Leases

MFRS 16 introduces a single accounting model for a lessee and eliminates the distinction between finance lease and operating lease. The lessee is now required to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Upon adoption of MFRS 16, the Group is required to account for the major part of its operating leases in the statement of financial position by recognising the 'right-of-use' assets and the lease liability. The financial effects arising therefrom are being assessed by the Group.

Companies Act 2016

The Companies Act 2016 ("Act") was enacted to replace the Companies Act 1965 with the objectives of creating a legal and regulatory structure that will facilitate business and promote accountability as well as protecting corporate directors and shareholders, taking into consideration the interest of other stakeholders. The Act was passed on 4 April 2016 and gazetted on 15 September 2016. On 26 January 2017, the Minister of Domestic Trade, Co-operatives and Consumerism announced that the date on which the Act comes into operation, except for section 241 and Division 8 of part III of the Act, will be 31 January 2017.



Part A - Explanatory Notes Pursuant to MFRS 134

2 Companies Act 2016 (contd.)

Amongst the key changes introduced in the Act relating to the financial statements of the Group are:

- a) Removal of authorized share capital
- b) Shares of the Company will cease to have par or nominal value; and
- c) The Company's share premium account will become part of its share capital.

The adoption of the Act did not have any financial impact on the Group for the current financial year.

3 Auditors' Report

The auditors' report on the financial statements for the year ended 31 March 2017 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-to-date.

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-to-date.

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-to-date.

8 Dividend Payment

There was no dividend payment made in the current quarter.

9 Segment Information

	<u>31/12/17</u> 3-month RM'000	<u>31/12/16</u> 3-month RM'000	<u>31/12/17</u> 9-month RM'000	<u>31/12/16</u> 9-month RM'000
<u>Segment Revenue</u>				
Investment holding	-	-	-	-
Distribution and trading	5,232	7,676	16,087	24,516
Logistics related services	969	844	2,885	2,601
Others	236	27	709	81
Total including inter-segment sales	6,437	8,547	19,681	27,198
Elimination of inter-segment sales	(316)	(27)	(579)	(81)
Total	6,121	8,520	19,102	27,117
<u>Segment Results - Profit/(loss) before tax</u>				
Investment holding	40	139	318	265
Distribution and trading	(1,767)	(805)	(3,705)	(1,357)
Logistics related services	265	97	599	411
Others	103	108	305	330
	(1,359)	(461)	(2,483)	(351)
Eliminations	86	86	258	258
Total	(1,273)	(375)	(2,225)	(93)



Part A - Explanatory Notes Pursuant to MFRS 134

10 Profit before tax

There are no items applicable pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad other than the following :

	<u>31/12/17</u> 3-month RM'000	<u>31/12/16</u> 3-month RM'000	<u>31/12/17</u> 9-month RM'000	<u>31/12/16</u> 9-month RM'000
(a) Interest income	117	332	634	740
(b) Depreciation and amortization	(163)	(157)	(479)	(469)
(c) Reversal of (impairment) of receivables	-	7	-	457
(d) Gain on disposal of quoted of assets	-	-	-	7
(e) Foreign exchange gain/(loss)	79	51	113	51

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.

13 Changes in Group Composition

There were no changes in the composition of the Group during the current financial period except for an investment of RM1.0 million in a wholly-owned subsidiary company, Jasa Kita Auto Sdn Bhd.

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 and trading - Compared to the comparative nine-month period in the previous year, revenue was 35% lower at RM15.9 million while gross profit fell correspondingly to RM3.5 million from RM24.5 million and RM5.4 million, respectively. Except for the automotive battery division, the other products reported declines in sales and profit contribution, with the power tools division registering the greatest drop. Quarter-on-quarter, total turnover and gross profit also declined by slightly more than a third compared with last year.

Logistics related services - The segment posted a 32% increase in gross profit on the back of a 11% rise in revenue to RM2.9 million for the nine months of the current financial year against the corresponding period last year. Current quarter revenue and profitability were also higher than for that of the previous year as a result of the optimization of warehousing space utilisation and rental rates charged.

**Part B - Explanatory Notes***(Appendix 9B of Listing Requirements of BMSB)***17 Current vs Preceding Quarter Results**

Total revenue of RM6.1 million was 5% lower than that for the preceding quarter with a consequent drop in gross profit which, coupled with an increase in operating expenses arising from the setting up of new marketing outlets, led to a higher loss before tax of RM1.27 million. Gross profitability was also marginally reduced due to increased product price competition.

18 Commentary on Prospects

The coming financial quarter will be equally challenging and while sales can be expected to receive a boost from the recent opening of more battery marketing outlets, operating results may be affected by the higher expenditures thereby incurred as well as continued sluggish performance of the other product divisions.

19 Profit Forecast and Guarantee

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

20 Taxation

	<u>31/12/17</u> 3-month RM'000	<u>31/12/16</u> 3-month RM'000	<u>31/12/17</u> 9-month RM'000	<u>31/12/16</u> 9-month RM'000
Income tax - current year	128	172	442	401
(Over)/under-provided in prev. years	(7)	17	(2)	17
Deferred tax - originating & reversal	(56)	46	(67)	79
(Over)/under-provided in prev. years	56	(41)	56	(41)
Tax expense	121	194	429	456
Profit before taxation	(1,273)	(375)	(2,225)	(93)
Tax at 24% (previous year - 24%)	(305)	(91)	(534)	(23)
Income tax (over)/under-provided	(7)	17	(2)	17
Deferred tax under/(over)prov.	56	(41)	56	(41)
Deferred tax asset not recognized	374	219	786	366
Effects of transactions :-				
Non-deductible expenses	23	99	153	158
Income not taxable	(20)	(9)	(30)	(21)
Tax expense	121	194	429	456

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 asset due to uncertainty of its recoverability.

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.



Part B - Explanatory Notes

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 Company did not declare any dividend during the current financial quarter and year-to-date period.

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.

	<u>31/12/17</u> 3-month	<u>31/12/16</u> 3-month	<u>31/12/17</u> 9-month	<u>31/12/16</u> 9-month
Loss attributable to ordinary equity holders of the parent (RM'000)	(1,393)	(569)	(2,653)	(548)
Weighted average number of ordinary shares in issue ('000)	449,550	449,550	449,550	449,550
Basic earnings/(loss) per share (sen)	(0.31)	(0.13)	(0.59)	(0.12)

26 Realised and Unrealised Profits/Losses

	As at 31/12/17 RM'000	As at 31/03/17 RM'000
Total retained profits of the parent and its subsidiaries:		
- Realised	37,924	40,588
- Unrealised	(77)	(88)
	37,847	40,500
Less: Consolidation adjustments	-	-
Total Group retained profits as per consolidated accounts	37,847	40,500

By order of the Board
Jasa Kita Berhad

Woo Hin Weng
Executive Director

Kuala Lumpur
Date : 21 February 2018