



**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**  
For the 1st Quarter Ended 30 June 2019

	Note	Current Quarter		Year To-date	
		30/06/19	30/06/18	30/06/19	30/06/18
		3-month	3-month	3-month	3-month
		RM'000	RM'000	RM'000	RM'000
Revenue	9	8,795	7,290	8,795	7,290
Cost of sales		(6,473)	(5,406)	(6,473)	(5,406)
Gross profit		2,322	1,884	2,322	1,884
Other income		192	211	192	211
Other operating expenses		(2,669)	(3,002)	(2,669)	(3,002)
Administrative expenses		(138)	(141)	(138)	(141)
Finance costs		-	-	-	-
Profit/(loss) before tax	10	(293)	(1,048)	(293)	(1,048)
Tax expense	20	(95)	(86)	(95)	(86)
(Loss)/Profit for the period		(388)	(1,134)	(388)	(1,134)
Other comprehensive income, net of tax		-	-	-	-
(Loss)/Profit and other comprehensive (loss)/income for the period		(388)	(1,134)	(388)	(1,134)
Loss and other comprehensive loss for the period attributable to :					
Owners of the Company		(388)	(1,134)	(388)	(1,134)
Non-controlling Interest		-	-	-	-
		(388)	(1,134)	(388)	(1,134)
Basic Loss per share attributable to owners of the Company (sen)	25	(0.09)	(0.25)	(0.09)	(0.25)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes.

**Condensed Consolidated Statements of Financial Position**

	Note	Unaudited As at <u>30/06/19</u> RM'000	Audited As at <u>31/03/19</u> RM'000
<b>ASSETS</b>			
<b><u>Non-current assets</u></b>			
Property, plant and equipment	11	15,794	14,775
Investment properties		4,367	4,382
Intangible asset		385	398
<b><u>Current assets</u></b>			
Inventories		10,304	12,183
Trade receivables		8,104	7,922
Non-trade receivables, deposits and prepayments		1,063	2,130
Tax recoverable		1,507	1,661
Deposits with licensed financial institutions		22,800	22,500
Cash and bank balances		6,544	5,926
		<b>50,322</b>	<b>52,322</b>
<b>TOTAL ASSETS</b>		<b>70,868</b>	<b>71,877</b>
<b>EQUITY AND LIABILITIES</b>			
Share Capital	7	44,955	44,955
Retained earnings		23,752	24,151
Attributable to Equity holders of the parent		68,707	69,106
Non-controlling Interest		-	-
<b>TOTAL EQUITY</b>		<b>68,707</b>	<b>69,106</b>
<b><u>Non-current liabilities</u></b>			
Lease liabilities		93	-
Deferred tax liabilities		40	40
		<b>133</b>	<b>40</b>
<b><u>Current liabilities</u></b>			
Trade payables		509	1,209
Non-trade payables and accruals		1,262	1,424
Lease liabilities		133	-
Tax payable		124	98
		<b>2,028</b>	<b>2,731</b>
<b>TOTAL LIABILITIES</b>		<b>2,161</b>	<b>2,771</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>70,868</b>	<b>71,877</b>
<b>Net assets per share (RM)</b>		<b>0.15</b>	<b>0.15</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes.



**Condensed Consolidated Statements of Changes in Equity  
For the 1st Quarter Ended 30 June 2019**

	Attributable to Owners of the Company			Non-Controlling Interest	Total Equity
	Share Capital	Distributable Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 April 2018</b>	44,955	36,476	81,431	(131)	81,300
Profit / (loss) and other comprehensive income / (loss) for the period	-	(1,134)	(1,134)	-	(1,134)
<b>At 30 June 2018</b>	<b>44,955</b>	<b>35,342</b>	<b>80,297</b>	<b>(131)</b>	<b>80,166</b>
<b>At 1 April 2019</b>	44,955	24,151	69,106	-	69,106
Effect of adoption of MFRS 16 (note 2B(i))	-	(11)	(11)	-	(11)
Profit / (loss) and other comprehensive income / (loss) for the period	-	(388)	(388)	-	(388)
<b>At 30 June 2019</b>	<b>44,955</b>	<b>23,752</b>	<b>68,707</b>	<b>-</b>	<b>68,707</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes.*



**Condensed Consolidated Statements of Cash Flows**

	<b>3-month</b> <b>30/06/19</b> <b>RM'000</b>	<b>3-month</b> <b>30/06/18</b> <b>RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before tax	(293)	(1,048)
Adjustments for:-		
Depreciation of property, plant and equipment	310	165
Depreciation of investment property	15	15
Amortisation of intangible asset	14	4
Depreciation of Right of use assets	32	-
Gain on disposal of property, plant and equipment	-	(19)
Unrealised foreign exchange (gain)/loss	43	(22)
Interest expense on lease liabilities	1	-
Distribution income from investment securities	-	(4)
Interest income	(160)	(100)
<b>Operating loss before changes in working capital</b>	<b>(38)</b>	<b>(1,009)</b>
Inventories	1,879	(1,704)
Receivables	884	552
Payables	(925)	(1,242)
<b>Cash generated from/(used in) operations</b>	<b>1,800</b>	<b>(3,403)</b>
Tax paid	(78)	(126)
Tax refund	164	-
<b>Net cash from/(used in) operating activities</b>	<b>1,886</b>	<b>(3,529)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(960)	(341)
Purchase of intangible asset	(1)	(6)
Redemption of investment securities	-	2,500
Proceeds from disposal of property, plant and equipment	-	19
(Placement)/Withdrawal of fixed deposits	(5,000)	7,000
Interest received	160	100
<b>Net cash (used in)/from investing activities</b>	<b>(5,801)</b>	<b>9,272</b>
<b>Cash flows from financing activities</b>		
Repayment of lease liabilities	(166)	-
Interest on lease liabilities	(1)	-
<b>Net cash used in financing activities</b>	<b>(167)</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(4,082)</b>	<b>5,743</b>
<b>Cash and cash equivalents as at 1 April</b>	<b>22,926</b>	<b>17,618</b>
<b>Cash and cash equivalents as at end of period</b>	<b>18,844</b>	<b>23,361</b>
<b>Cash and cash equivalents comprise the following amounts:</b>		
Deposits with licensed banks	12,300	16,500
Cash and bank balances	6,544	6,861
	<b>18,844</b>	<b>23,361</b>

*(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2019 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 2019. 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 2019.

**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 2019, except for the adoption of the following Amendments to MFRSes during the current financial period:

**(A) Standards issued and effective**

On 1 April 2018, the Group and the Company have also adopted the following new and amended MFRSes which are mandatory for annual financial periods beginning on or after 1 January 2018

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

- Annual improvements to MFRSs 2014 - 2016 cycle
  - Amendments to MFRS 1, First-time Adoptions of Malaysian Financial Reporting Standards
  - Amendments to MFRS 128, Investment in Associates and Joint Ventures
- Amendments to MFRS 2, Share-based Payment: Classification and Measurements of Share-based Payment Transactions
- Amendments to MFRS 4, Insurance Contracts: Applying MFRS 9 Financial Instrument with MFRS 4 Insurance Contracts
- MFRS 9, Financial Instruments
- MFRS 15, Revenue from Contract with Customers
- Clarifications to MFRS 15, Revenue from Contracts with Customers
- Amendments to MFRS 140, Investment Property: Transfer of Investment property
- IC Interpretation 22, Foreign Currency Transactions and Advance Consideration

Adoption of the above MFRSs does not have any significant impact to the Group and of the Company.

**(B) Standards issued and not yet effective**

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective:

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

- Annual Improvements to MFRS 2015 - 2017 cycle
  - Amendments to MFRS 3, Business Combinations
  - Amendments to MFRS 11, Joint Arrangements
  - Amendments to MFRS 112, Income Taxes
  - Amendments to MFRS 123, Borrowing Costs
- Amendments to MFRS 119, Employee Benefits: Plan Amendment, Curtailment and Settlement
- MFRS 16, Leases
- Amendments to MFRS 9, Financial Instruments: Prepayment Features with Negative Compensation

**Impact of the initial application of MFRS 16**

The following table is a reconciliation of the carrying amount of the Group's statement of financial position from MFRS 117 to MFRS 16 as at 1 April 2019:

	Opening balance as at 1 April 2019 RM'000	Initial recognition RM'000	Restated opening balance as at 1 April 2019 RM'000
Right-of-use assets	-	247	247
Lease liabilities	-	(259)	(259)
<b>Retained earnings</b>	<b>24,151</b>	<b>(11)</b>	<b>24,140</b>

**i) Effective for annual periods commencing on or after 1 January 2019 (continued)**

- Amendments to MFRS 128, Investment in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures
- IC Interpretation 23, Uncertainty over Income Tax Treatments

**ii) Effective for annual periods commencing on or after 1 January 2020**

- Amendments to MFRS 2, Share-based Payment
- Amendments to MFRS 3, Business Combinations
- Amendments to MFRS 6, Exploration for and Evaluation of Mineral Resources
- Amendments to MFRS 14, Regulatory Deferral Accounts
- Amendments to MFRS 101, Presentation of Financial Statements
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to MFRS 134, Interim Financial Reporting
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets
- Amendments MFRS 138, Intangible Assets
- Amendments to IC Interpretation 12, Service Concession Arrangements
- Amendments to IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC interpretation 20, Stripping Costs in the Production Phase of a Surface Mine
- Amendments to IC Interpretation 22, Foreign Currency Transactions and Advance Consideration
- Amendments to IC Interpretation 132, Intangible Assets - Web Site Costs

**iii) Effective for annual periods commencing on or after 1 January 2021**

- MFRS 17, Insurance Contracts

**iv) Deferred**

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investment in Associate and Joint Ventures: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impact to the financial statements of the Group and of the Company except as mentioned below:

**MFRS 16 Leases**

MFRS 16, which upon the effective date will supersede MFRS 117 Leases, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

Based on the assessment, the Group and the Company do not expect the application of MFRS 16 to have a significant impact on its consolidated financial statements.

**3 Auditors' Report**

The auditors' report on the financial statements for the year ended 31 March 2019 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

### Segment Revenue

Investment holding	-
Distribution and trading	7,934
Logistics related services	670
Others	322
Total including inter-segment sales	8,926
Elimination of inter-segment sales	(131)
<b>Total</b>	<b>8,795</b>

### Segment Results - Profit/(loss) before tax

Investment holding	20
Distribution and trading	(340)
Logistics related services	56
Others	162
Eliminations	(191)
<b>Total</b>	<b>(293)</b>

<u>30/06/19</u> 3-month RM'000	<u>30/06/18</u> 3-month RM'000	<u>30/06/19</u> 3-month RM'000	<u>30/06/18</u> 3-month RM'000
-	-	-	-
7,934	6,368	7,934	6,368
670	806	670	806
322	247	322	247
<b>8,926</b>	<b>7,421</b>	<b>8,926</b>	<b>7,421</b>
<b>(131)</b>	<b>(131)</b>	<b>(131)</b>	<b>(131)</b>
<b>8,795</b>	<b>7,290</b>	<b>8,795</b>	<b>7,290</b>
20	1	20	1
(340)	(1,335)	(340)	(1,335)
56	109	56	109
162	85	162	85
<b>(102)</b>	<b>(1,140)</b>	<b>(102)</b>	<b>(1,140)</b>
(191)	92	(191)	92
<b>(293)</b>	<b>(1,048)</b>	<b>(293)</b>	<b>(1,048)</b>

## 10 (Loss)/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 :

Interest income	(160)	(100)	(160)	(100)
Interest expense	-	-	-	-
Depreciation and amortization	371	184	371	184
Foreign exchange gain/(loss)	23	63	23	63
(Gain)/loss on disposal of PPE	-	(19)	-	(19)

## 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

On 5th October 2018, the Group ("JKB") via its subsidiary, Jasa Kita Trading Sdn Bhd ("JKT") has completed the acquisition of the remaining 49,000 ordinary shares of Jasahalco (INT.) Sdn Bhd ("JHI"), representing the remaining 49% of the equity interest in JHI for a total cash consideration of RM49,000. Following the acquisition, JHI has become a wholly-owned subsidiary of the Group.





#### **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**

##### **Quarter 1, FYE 2020 vs Quarter 1, FYE 2019 and Year-to-date 30 June 2019 vs Year-to-date 30 June 2018**

For the quarter under review, group's turnover increased 20.6% from RM7.29 million to RM8.79 million and gross profit increased by 23.2% from RM1.88 million to RM2.32 million

##### Distribution and trading

Turnover increased 24.6% from RM6.37 million to RM7.93 million and losses before tax decreased by 74.6% from RM1.34 million to RM339,000. The increase in turnover and lower losses are largely attributable to higher sales and profit margin from automotive batteries and its related products and sales of electric motors.

##### Logistics related services

Turnover decreased by 16.9% from RM806,000 to RM670,000. The decline in turnover had resulted in lower profit before tax of RM56,000 as compared to RM109,000 for corresponding quarter in preceding year. The decline in performance is due to lower importation for certain customers.

#### **17 Current Quarter vs Preceding Quarter Results**

Group's turnover was marginally higher at RM8.80 million for the current quarter as compared to RM8.73 million for the preceding quarter. Losses before tax was significantly lower at RM293,000 as compared to RM7.74 million for the preceding quarter.

Turnover have marginally increased across all product segments in the current quarter while the higher losses in the preceding quarter were ascribed to inventories written down amounting to RM5.8 million and other write off (PPE, bad debts and deposit) amounting to RM875,000.

#### **18 Commentary on Prospects**

The Group have completed the cost and operational rationalisation programmes and is currently working on strategies to streamline and grow its automotive batteries and its related products business into one of the group's main income stream and reenergised its other divisions' sales and financial performance. Sales of all divisions' products continued to be challenging due to saturated market, fierce competition and challenging global and local economies.

#### **19 Profit Forecast and Guarantee**

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



**20 Taxation**

	<u>30/06/19</u> 3-month	<u>30/06/18</u> 3-month	<u>30/06/19</u> 3-month	<u>30/06/18</u> 3-month
	RM'000	RM'000	RM'000	RM'000
Income tax - current year	95	86	95	86
(Over)/under-provided in prev. years	-	-	-	-
Deferred tax - originating & reversal	-	-	-	-
Change in tax rates	-	-	-	-
(Over)/under-provided in prev. years	-	-	-	-
<b>Tax expense</b>	<b>95</b>	<b>86</b>	<b>95</b>	<b>86</b>
<b>Profit/(loss) before taxation</b>	<b>(293)</b>	<b>(1,048)</b>	<b>(293)</b>	<b>(1,048)</b>
Tax at 24% (previous year - 24%)	(70)	(252)	(70)	(252)
Income tax (over)/under-provided in prior year	-	-	-	-
Change in tax rates	-	-	-	-
Deferred tax under/(over) prov. in prior year	-	-	-	-
Unrecognized losses brought forward (utilized)	-	-	-	-
Deferred tax asset not recognized	61	259	61	259
Effects of transactions :-				
Non-deductible expenses	104	80	104	80
Income not taxable	-	(1)	-	(1)
<b>Tax expense</b>	<b>95</b>	<b>86</b>	<b>95</b>	<b>86</b>

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.

**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.

**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>30/06/19</u> 3-month	<u>30/06/18</u> 3-month	<u>30/06/19</u> 3-month	<u>30/06/18</u> 3-month
Profit/(loss) attributable to ordinary equity holders of the parent (RM'000)	(388)	(1,134)	(388)	(1,134)
Weighted average number of ordinary shares in issue ('000)	449,550	449,550	449,550	449,550
Basic earnings/(loss) per share (sen)	(0.09)	(0.25)	(0.09)	(0.25)

By order of the Board

Ong Bing Yap  
Executive Director

Kuala Lumpur  
Date : 27 August 2019