

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the 3rd Quarter Ended 31 December 2019**

	Note	Current Quarter		Year To-date	
		31-12-19	31-12-18	31-12-19	31-12-18
		3-months	3-months	9-months	9-months
		RM'000	RM'000	RM'000	RM'000
Revenue	9	7,930	9,282	24,805	25,860
Cost of sales		(6,105)	(7,426)	(18,806)	(19,977)
Gross profit		1,825	1,856	5,999	5,883
Other income		292	348	752	829
Other operating expenses		(2,916)	(4,319)	(8,743)	(10,412)
Administrative expenses		(39)	(95)	(272)	(334)
Finance costs		-	-	-	-
Loss before tax	10	(838)	(2,210)	(2,264)	(4,034)
Tax expense	20	(141)	(75)	(236)	(240)
Loss for the period		(979)	(2,285)	(2,500)	(4,274)
Other comprehensive income, net of tax		-	-	-	-
Loss and other comprehensive loss for the period		(979)	(2,285)	(2,500)	(4,274)
Loss and other comprehensive loss for the period attributable to :					
Owners of the Company		(979)	(2,282)	(2,500)	(4,274)
Non-controlling Interest		-	3	-	-
		(979)	(2,285)	(2,500)	(4,274)
Basic Loss per share attributable to owners of the Company (sen)	25	(0.22)	(0.51)	(0.56)	(0.95)

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

		Unaudited As at <u>31/12/19</u> RM'000	Audited As at <u>31/03/19</u> RM'000
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	11	15,953	14,775
Investment properties		4,337	4,382
Intangible asset		354	398
<u>Current assets</u>			
Inventories		10,419	12,183
Trade receivables		6,691	7,922
Non-trade receivables, deposits and prepayments		1,338	2,130
Tax recoverable		351	1,661
Deposits with licensed financial institutions		19,000	22,500
Cash and bank balances		9,801	5,926
		<u>47,600</u>	<u>52,322</u>
TOTAL ASSETS		<u>68,244</u>	<u>71,877</u>
EQUITY AND LIABILITIES			
Share Capital	7	44,955	44,955
Retained earnings		21,642	24,151
Attributable to Equity holders of the parent		<u>66,597</u>	<u>69,106</u>
Non-controlling Interest		-	-
TOTAL EQUITY		<u>66,597</u>	<u>69,106</u>
<u>Non-current liabilities</u>			
Lease liabilities		-	-
Deferred tax liabilities		40	40
		<u>40</u>	<u>40</u>
<u>Current liabilities</u>			
Trade payables		603	1,209
Non-trade payables and accruals		919	1,424
Tax payable		85	98
		<u>1,607</u>	<u>2,731</u>
TOTAL LIABILITIES		<u>1,647</u>	<u>2,771</u>
TOTAL EQUITY AND LIABILITIES		<u>68,244</u>	<u>71,877</u>
Net assets per share (RM)		<u>0.15</u>	<u>0.15</u>

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.

**JASA KITA BERHAD** (239256-M)**Condensed Consolidated Statements of Changes in Equity
For the 3rd Quarter Ended 31 December 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
At 1 April 2018	44,955	36,476	81,431	(131)	81,300
Loss and other comprehensive loss for the period	-	(4,274)	(4,274)		(4,274)
Changes in ownership interest in a subsidiary		(180)	(180)	131	(49)
At 31 December 2018	44,955	32,022	76,977	-	76,977
At 1 April 2019	44,955	24,151	69,106	-	69,106
Loss and other comprehensive loss for the period	-	(2,509)	(2,509)	-	(2,509)
At 31 December 2019	44,955	21,642	66,597	-	66,597

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

	9-months <u>31/12/19</u> RM'000	9-months <u>31/12/18</u> RM'000
Cash flows from operating activities		
Loss before tax	(2,264)	(4,034)
Adjustments for:-		
Depreciation of property, plant and equipment	457	509
Depreciation of investment property	45	45
Amortisation of intangible asset	44	21
Property, plant and equipment written down	262	-
Loss/(Gain) on disposal of property, plant and equipment	3	(84)
Bad debts written off	-	482
Impairment of trade receivables	185	-
Fair value adjustment on investment securities	-	52
Unrealised foreign exchange loss/(gain)	39	(46)
Distribution income from investment securities	-	(136)
Interest income	(611)	(445)
Operating loss before changes in working capital	<u>(1,840)</u>	<u>(3,636)</u>
Property development cost	-	(460)
Inventories	1,764	(1,739)
Receivables	1,838	(155)
Payables	<u>(1,111)</u>	<u>(2,102)</u>
Cash generated from/(used in) operations	651	(8,092)
Tax paid	(364)	(448)
Tax refund	1,377	39
Net cash from/(used in) operating activities	<u>1,664</u>	<u>(8,501)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,904)	(581)
Purchase of intangible asset	(1)	(22)
Proceeds from disposal of property, plant and equipment	5	-
Redemption of investment securities	-	6,593
Acquisition of non-controlling interest	-	(49)
Placement of fixed deposits	(6,700)	-
Interest received	611	445
Net cash (used in)/from investing activities	<u>(7,989)</u>	<u>6,386</u>
Cash flows from financing activities		
Repayment of lease liabilities	-	-
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	(6,325)	(2,115)
Cash and cash equivalents as at 1 April	<u>22,926</u>	<u>17,618</u>
Cash and cash equivalents as at end of period	<u>16,601</u>	<u>15,503</u>
Cash and cash equivalents comprise the following amounts:		
Deposits with licensed banks	6,800	9,200
Cash and bank balances	9,801	6,303
	<u>16,601</u>	<u>15,503</u>

(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



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	
Logistics related services	
Others	
Total including inter-segment sales	
Elimination of inter-segment sales	
Total	

<u>31-12-19</u> 3-months	<u>31-12-18</u> 3-months	<u>31-12-19</u> 9-months	<u>31-12-18</u> 9-months
RM'000	RM'000	RM'000	RM'000
-	-	-	-
7,079	8,449	22,152	23,334
727	717	2,147	2,179
140	247	785	741
7,946	9,413	25,084	26,254
(16)	(131)	(279)	(394)
7,930	9,282	24,805	25,860
68	118	9,128	203
(855)	(2,581)	(2,900)	(4,922)
(166)	(7)	(128)	67
27	124	368	303
(926)	(2,346)	6,468	(4,349)
88	136	(8,732)	315
(838)	(2,210)	(2,264)	(4,034)

Segment Results - Loss before tax

Investment holding	
Distribution and trading	
Logistics related services	
Others	
Eliminations	
Total	

10 Loss 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			
Foreign exchange gain			
Depreciation and amortization			
Property, Plant and Equipment written down			
Loss on disposal of Property, Plant and Equipment			
Impairment of trade receivables			
Bad debts written off			
Fair value loss on investment securities			

<u>31-12-19</u> 3-months	<u>31-12-18</u> 3-months	<u>31-12-19</u> 9-months	<u>31-12-18</u> 9-months
RM'000	RM'000	RM'000	RM'000
241	200	611	445
82	47	165	155
(223)	(198)	(546)	(575)
-	-	(262)	-
(1)	-	(3)	-
-	-	(185)	-
-	(482)	-	(482)
-	(52)	-	(52)

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 quarter.

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 Guarantee 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 3, FYE 2020 vs Quarter 3, FYE 2019**

For the quarter under review, Group's turnover declined 14.6% from RM9.28 million to RM7.93 million. Gross profit is marginally decreased by 1.7% from RM1.86 million to RM1.83 million.

Distribution and trading

Turnover decreased 16.2% from RM8.45 million to RM7.08 million, mainly attributable to lost of sales from power tools and automotive batteries divisions. However, losses before tax was significantly lower by 66.9% to RM0.86 million as compared to RM2.58 million, which consist mainly operational rationalisation expenditure in tools division for the corresponding quarter in preceding year.

Logistics related services

Turnover marginally increased by 1.4% from RM717,000 to RM727,000. Losses before tax increased to RM166,000 as compared to RM7,000 for the corresponding quarter in preceding year, mainly due to higher rental expenses.

Year-to-date 31 December 2019 vs Year-to-date 31 December 2018

Group's turnover decreased 4.1% from RM25.9 million for the previous year to RM24.9 million for the current year mainly attributable to decreased contribution from power tools and hand tools divisions. However, losses before tax was lower by 43.9% from RM4.03 million to RM2.26 million, resulted from saving in operational rationalisation in tools division for the previous year.

Distribution and trading

Turnover was lower by 5.0% from RM23.3 million to RM22.2 million. Losses before tax is lower by 41.1% from RM4.9 million to RM2.9 million year to date. Operating expenses is lower resulted from operational cost rationalisation in tools division for the previous year.

Logistics related services

Turnover marginally reduced by 1.5% from RM2.18 million to RM2.15 million for the reporting period. Profit before tax of RM67,000 was wipe out to RM128,000 loss before tax due to increased in rental expenses.

17 Current Quarter vs Preceding Quarter Results

Group's turnover was slightly lower by 1.9% to RM7.93 million for the current quarter as compared to RM8.08 million for the preceding quarter. However, losses before tax was reduced by 41.2% to RM0.84 million as compared to RM1.43 million for the preceding quarter. Turnover decreased mainly from automotive batteries division and power tools division in the current quarter. Lower losses in the current quarter under review were mainly due to business reorganisation of automotive batteries division in the preceding quarter, ie. Property, Plant and Equipment written down from closing non-profitable GP outlets and impairment of trade receivables.

18 Commentary on Prospects

Sales performance of the Group's business divisions continue to be challenging. However, in view of the relaunching of major infrastructure projects in the country, we expect sales for power tools and electric motors to improve.

Following an extensive review conducted on the viability of the GPO outlets business model for the automotive batteries division, the Group has deduced that the operation of the GPO outlets, in the present market condition and without the economy of scale, is not profitable and had thus decided to suspend the automotive batteries trading business. Moving forward, the Management will be focusing on enhancing its existing industrial tools segment, as well as on the marketing and distribution of the newly acquired sanitary ware business.

19 Profit Forecast and Guarantee

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

20 Taxation

	<u>31-12-19</u> 3-months	<u>31-12-18</u> 3-months	<u>31-12-19</u> 9-months	<u>31-12-18</u> 9-months
	RM'000	RM'000	RM'000	RM'000
Income tax - current year	144	75	239	244
(Over)/under-provided in prev. years	(3)	-	(3)	(4)
Deferred tax - originating & reversal	-	(4)	-	(4)
Change in tax rates	-	-	-	-
(Over)/under-provided in prev. years	-	4	-	4
Tax expense	141	75	236	240
Profit/(loss) before taxation	<u>(838)</u>	<u>(2,210)</u>	<u>(2,264)</u>	<u>(4,034)</u>
Tax at 24% (previous year - 24%)	(201)	(530)	(544)	(968)
Income tax (over)/under-provided in prior year	(3)	-	(3)	(4)
Change in tax rates	-	-	-	-
Deferred tax under/(over) prov. in prior year	-	4	-	4
Unrecognized losses brought forward (utilized)	-	-	-	-
Deferred tax asset not recognized	458	586	636	1,103
Effects of transactions :-	-	-	-	-
Non-deductible expenses	(50)	35	210	138
Income not taxable	(63)	(20)	(63)	(33)
Tax expense	141	75	236	240

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>31-12-19</u> 3-months	<u>31-12-18</u> 3-months	<u>31-12-19</u> 9-months	<u>31-12-18</u> 9-months
Loss attributable to ordinary equity holders of the parent (RM'000)	(979)	(2,282)	(2,500)	(4,274)
Weighted average number of ordinary shares in issue ('000)	449,550	449,550	449,550	449,550
Basic loss per share (sen)	(0.22)	(0.51)	(0.56)	(0.95)

By order of the Board

Ong Bing Yap
Executive Director

Kuala Lumpur
Date : 21 February 2020