

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2013
CONTINUING OPERATIONS

	Current Quarter Ended 31/12/2013 RM '000	Corresponding Quarter Ended 31/12/2012 RM '000	Current 9 Months Ended 31/12/2013 RM '000	Corresponding 9 Months Ended 31/12/2012 RM '000
Revenue	88,440	80,798	237,774	239,914
Other income	(234)	(174)	82	333
	<hr/> 88,206	<hr/> 80,624	<hr/> 237,856	<hr/> 240,247
Operating expenses	(85,394)	(77,792)	(232,157)	(228,989)
Finance costs	(663)	(518)	(1,818)	(1,470)
Profit before tax	<hr/> 2,149	<hr/> 2,314	<hr/> 3,881	<hr/> 9,788
Taxation	(776)	(454)	(1,429)	(2,067)
Profit for the period attributable to equity holders of the Company	<hr/> 1,373	<hr/> 1,860	<hr/> 2,452	<hr/> 7,721
Other comprehensive income				
Currency translation difference arising from consolidation	32	(1)	360	(15)
Total comprehensive income for the period attributable to equity holders of the Company	<hr/> 1,405 <hr/>	<hr/> 1,859 <hr/>	<hr/> 2,812 <hr/>	<hr/> 7,706 <hr/>
Earnings per share				
- Basic (sen)	1.67	2.27	2.99	9.41
- Diluted (sen)	-	-	-	-

The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the audited annual financial report for the year ended 31 March 2013

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Unaudited	Audited
	As At	As At
	31/12/2013	31/03/2013
	RM '000	RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	39,579	39,250
Intangible assets	29,138	28,743
Long term deposits	7,714	6,891
Deferred tax assets	595	627
	<u>77,026</u>	<u>75,511</u>
Current assets		
Inventories	64,205	56,003
Trade and other receivables	41,891	36,685
Tax recoverable	-	345
Cash and bank balances	12,495	11,038
	<u>118,591</u>	<u>104,071</u>
TOTAL ASSETS	<u>195,617</u>	<u>179,582</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	82,046	82,046
Reserves	40,517	37,705
Total equity	<u>122,563</u>	<u>119,751</u>
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	809	862
Current liabilities		
Trade and other payables	17,683	11,715
Short term bank borrowings (unsecured)	54,349	47,023
Taxation payable	213	231
	<u>72,245</u>	<u>58,969</u>
Total liabilities	<u>73,054</u>	<u>59,831</u>
TOTAL EQUITY AND LIABILITIES	<u>195,617</u>	<u>179,582</u>
Net assets per share (RM) *	1.49	1.46

The Condensed Consolidated Statement of Financial Position
should be read in conjunction with the audited annual financial report for the year ended 31 March 2013

*The net assets per share is based on the computation of total assets (including intangibles) minus total liabilities divided by total number of ordinary shares in circulation

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2013

	Period Ended 31/12/2013 RM '000	Period Ended 31/12/2012 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,881	9,788
Adjustments for :-		
Depreciation of property, plant and equipment	4,944	4,961
Interest income	(82)	(1)
Interest expenses	1,395	1,150
Property, plant and equipment written off	126	588
Inventories written off and written down	91	274
Trade and other receivables written off	-	21
Loss / (gain) on disposal of property, plant and equipment	1	(40)
Loss on foreign exchange - unrealised	-	19
Operating profit before changes in working capital	<u>10,356</u>	<u>16,760</u>
Changes in working capital:-		
Net change in current assets	(13,500)	(8,014)
Net change in current liabilities	5,968	4,721
Cash generated from operations	<u>2,824</u>	<u>13,467</u>
Interest paid	(1,395)	(1,150)
Interest received	82	1
Taxation paid, net of refunds	(1,122)	(3,165)
Net cash from operating activities	<u>389</u>	<u>9,153</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(5,232)	(13,143)
Proceeds from disposal of property, plant and equipment	1	75
Increase in entrance fee	(395)	(378)
Long term deposits	(823)	(614)
Net cash used in investing activities	<u>(6,449)</u>	<u>(14,060)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	7,236	8,368
Dividend paid	-	(1,231)
Net cash from financing activities	<u>7,236</u>	<u>7,137</u>
Net increase in cash and cash equivalents	1,176	2,230
Net effect of exchange rate movements	191	(8)
Cash and cash equivalents brought forward	<u>10,170</u>	<u>8,734</u>
Net cash and cash equivalents carried forward	<u>11,537</u>	<u>10,956</u>
Cash and cash equivalents comprises:-		
Cash and bank balances	12,495	12,009
Bank overdraft	(958)	(1,053)
	<u>11,537</u>	<u>10,956</u>

The Condensed Consolidated Statement of Cash Flows

should be read in conjunction with the audited annual financial report for the year ended 31 March 2013

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2013

	Attributable to equity holders of the Company			Total RM '000
	Share Capital RM '000	Foreign Exchange Reserve RM '000	Unappropriated Profits RM '000	
9 Months				
<u>Ended 31 December 2013</u>				
Balance as at 1 April 2013	82,046	(2,816)	40,521	119,751
Total comprehensive income for the period	-	360	2,452	2,812
Balance as at 31 December 2013	82,046	(2,456)	42,973	122,563
9 Months				
<u>Ended 31 December 2012</u>				
Balance as at 1 April 2012	82,046	(2,883)	34,757	113,920
Total comprehensive income for the period	-	(15)	7,721	7,706
Dividends paid	-	-	(1,231)	(1,231)
Balance as at 31 December 2012	82,046	(2,898)	41,247	120,395

The Condensed Consolidated Statement of Changes in Equity
should be read in conjunction with the audited annual financial report for the year ended 31 March 2013

**NOTES TO THE INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013**

1 Basis of Preparation and Accounting Policies

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2013. These explanatory notes attached to the interim financial report 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 2013.

2 Significant Accounting Policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for year ended 31 March 2013 except for adoption of the following MFRSs, Amendments to MFRSs and IC Interpretations by the Group with effect from 1 April 2013:

MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Consolidated and Separate Financial Statements (revised)
MFRS 128	Investments in Associates and Joint Ventures (revised)
Amendments to MFRS 1	First-time Adoption of MFRS- Government Loans
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income
Annual Improvements to IC Interpretations and MFRSs 2009-2011 Cycle	

The adoption of the above did not have any significant impact on the interim financial reports of the Group.

As at the date of this interim financial report, the following MFRSs and Amendments to MFRSs were issued but are not yet effective and have not been adopted by the Group:-

Effective for financial periods beginning on or after 1 January 2014

Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Consolidated and Separate Financial Statements: Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation- Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting

9 Notes to the Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income (Cont'd)

There was no gain or loss on disposal of properties and quoted or unquoted investments; provision for and write off of receivables; impairment of assets; gain or loss on derivatives and exceptional items for the financial quarter and financial year to date.

10 Segmental Reporting

The analysis of the Group by activity is as follows: -

	Retail	Garment Manufacturing	Haulage Services	Elimination	Group Total
	RM '000	RM '000	RM '000	RM '000	RM '000
9 Months					
<u>Ended 31 December 2013</u>					
Revenue					
External sales	146,665	91,109	-	-	237,774
Inter-segment sales	15	3,065	-	(3,080)	-
	<u>146,680</u>	<u>94,174</u>	<u>-</u>	<u>(3,080)</u>	<u>237,774</u>
Results					
Segment results	4,666	1,205	(2)	-	5,869
Unallocated results					<u>(170)</u>
Profit from operations					5,699
Finance cost					<u>(1,818)</u>
Profit before tax					<u><u>3,881</u></u>
<u>As At 31 December 2013</u>					
Assets					
Segment assets	110,529	84,313	72	-	194,914
Unallocated assets					<u>703</u>
Total assets					<u><u>195,617</u></u>

11 Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward, without amendments from the previous audited annual financial statements.

12 Subsequent Events

There are no material events subsequent to the end of the current quarter, which has not been reflected in the financial statements for the current period.

13 Effect of Changes in the Composition of the Group

There have been no changes in the composition of the Group during the quarter under review including business composition, acquisition or disposal of any subsidiaries or long term investments, restructuring or discontinued operations.

14 Change in Contingent Liabilities

	As At	Audited
	31/12/2013	As At
	RM '000	31/03/2013
		RM '000
Corporate guarantee given to banks to secure banking facilities granted to subsidiaries	150,247	120,711
Third party legal claim (*)	-	525

* The liability has been resolved and is reflected accordingly in last quarter's result.

15 Significant Related Party Transaction

There is no significant related party transaction for the quarter under review.

16 Review of Performance

Comparison with the corresponding quarter in the previous financial year

The Group's total revenue for the current quarter under review, amounted to RM88.44 million, an increase of 9.46% from RM80.80 million in the previous corresponding quarter.

The retail segment contributed RM55.99 million, an increase of 11.96% from RM50.01 million in the previous corresponding quarter. Profit before tax registered a marginal dip to RM1.89 million from RM2.27 million in the previous corresponding quarter. This was due mainly to more aggressive promotional campaigns and discounts offered amidst a more competitive retail environment.

The garment manufacturing segment contributed RM33.96 million, an increase of 1.75% from RM33.37 million in the previous corresponding quarter. Of this, inter-company sales is RM1.51 million, versus RM2.58 million in the previous corresponding quarter. Profit before tax increased to RM0.30 million from RM0.12 million in the previous corresponding quarter. This reflects an improving environment for garment manufacturing as a whole.

Comparison with the corresponding previous financial year to date

For the cumulative nine months period ended 31 December 2013, the Group's total revenue totalled to RM237.77 million, a marginal decrease of 0.89% from RM239.91 million.

The revenue for the retail segment contributed RM146.67 million, a decline of 5.72% from the previous RM155.56 million. This decrease is primarily due to the discontinuation of our association with Calvin Klein Jeans brand, as reported in previous quarters.

On the other hand, revenue for the garment manufacturing contributed RM91.11 million, an increase of 8.00%, from the previous corresponding period of RM84.36 million. This is after the elimination of inter-company sales which amounted to RM3.06 million in the current period, as compared to RM11.74 million in the previous corresponding period.

16 Review of Performance (Cont'd)

Comparison with the corresponding previous financial year to date (Cont'd)

Overall, the Group's profit before tax for the cumulative nine months period amounted to RM3.88 million, a decline of 60.35% from RM9.79 million. Of this, the retail segment contributed RM3.65 million, a decline of 66.38% as compared to the previous RM10.85 million. However, the garment manufacturing segment recorded a profit before tax of RM0.41 million, an increase of 147.55%, as compared to a loss of RM0.86 million for the cumulative corresponding period.

17 Comparison with Immediate Preceding Quarter

In the current quarter ended 31 December 2013, the Group's total revenue amounted to RM88.44 million, an increase of 12.43% from RM78.67 million in the immediate preceding quarter.

Of the total, the retail segment's revenue of RM55.99 million registered an increase of 18.53% from RM47.24 million in the preceding quarter. The garment manufacturing segment's revenue of RM33.96 million also registered an increase of 4.53% from RM32.48 million in the immediate preceding quarter, inclusive of inter-company sales of RM1.51 million versus RM1.06 million in the immediate preceding quarter.

Profit before tax for the current quarter amounted to RM2.15 million, an increase of 197.23% from RM0.72 million in the immediate preceding quarter. Of this, the retail segment contributed RM1.89 million, up from RM0.74 million in the immediate preceding quarter. Correspondingly, the garment manufacturing segment contributed RM0.30 million, up from RM0.10 million in the immediate preceding quarter.

18 Current Year Prospects

The Group is maintaining its positive outlook in line with the continuing satisfactory performance of both the retail and garment manufacturing segments.

19 Profit Forecast or Guarantee

Not applicable.

20 Taxation

The breakdown of taxation is as follows:-

	Current Quarter	Year-to-Date
	RM '000	RM '000
Estimated current tax payable	719	1,449
Deferred taxation	57	(20)
	<u>776</u>	<u>1,429</u>

The Group's effective tax rate is higher than the statutory tax rate. This is mainly due to higher non-deductible expenses for tax calculation.

21 Realised and Unrealised Profits / Losses Disclosure

	As At 31/12/2013 RM '000	As At 31/03/2013 RM '000
Realised	84,689	81,995
Unrealised	(214)	(185)
	<hr/> 84,475	<hr/> 81,810
Consolidation adjustments	(41,502)	(41,289)
Total Group retained earnings as per consolidated accounts	<hr/> <hr/> 42,973	<hr/> <hr/> 40,521

22 Status of Corporate Proposals Announced and Not Completed

Share Buy-Back

At the Thirteenth Annual General Meeting held on 28 Aug 2013, shareholders approved the renewal of Share Buy-Back mandate. To-date, the Company has not effected any Share Buy-Back transaction.

23 Group Borrowings and Debt Securities

The Group's borrowings as at the end of the current quarter comprise:-

	RM '000
Short term bank borrowings (unsecured)	<hr/> <hr/> 54,349

There was no debt securities issued.

24 Derivatives

a) There was no outstanding derivatives (including instruments designated as hedging instruments) as at the end of the quarter ended 31 December 2013; and

b) The Group has not entered into any type of derivative, not disclosed in the previous financial year or any of the previous quarters under the current financial year.

25 Pending Material Litigation

There is no pending material litigation.

26 Earnings per Share

Earnings per share have been computed based on profit for the period attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the period.

	3 Months Ended		Year-to-Date	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Profit for the period attributable to equity holders of the Company	1,373	1,860	2,452	7,721
Weighted average number of ordinary shares in issue (RM'000)	82,046	82,046	82,046	82,046
Basic earnings per share (sen)	<hr/> 1.67	<hr/> 2.27	<hr/> 2.99	<hr/> 9.41