

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2014
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2014
CONTINUING OPERATIONS

	Current Quarter Ended 30/06/2014 RM '000	Corresponding Quarter Ended 30/06/2013 RM '000	Current 3 Months Ended 30/06/2014 RM '000	Corresponding 3 Months Ended 30/06/2013 RM '000
Revenue	78,222	70,669	78,222	70,669
Other income	239	1	239	1
	<hr/> 78,461	<hr/> 70,670	<hr/> 78,461	<hr/> 70,670
Operating expenses	(75,609)	(69,154)	(75,609)	(69,154)
Finance cost	(737)	(507)	(737)	(507)
Profit before tax	<hr/> 2,115	<hr/> 1,009	<hr/> 2,115	<hr/> 1,009
Taxation	(603)	(342)	(603)	(342)
Profit for the period attributable to equity holders of the Company	<hr/> 1,512	<hr/> 667	<hr/> 1,512	<hr/> 667
Other comprehensive income				
Currency translation difference arising from consolidation	(107)	132	(107)	132
Total comprehensive income for the period attributable to equity holders of the Company	<hr/> 1,405 <hr/>	<hr/> 799 <hr/>	<hr/> 1,405 <hr/>	<hr/> 799 <hr/>
Earnings per share				
- Basic (sen)	1.84	0.81	1.84	0.81
- 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 2014

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2014

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Unaudited	Audited
	As At	As At
	30/06/2014	31/03/2014
	RM '000	RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	40,593	38,898
Intangible assets	29,611	29,184
Long term deposits	8,211	8,019
Deferred tax assets	573	582
	<u>78,988</u>	<u>76,683</u>
Current assets		
Inventories	62,037	61,791
Trade and other receivables	55,562	53,443
Tax recoverable	35	35
Cash and bank balances	5,429	3,975
	<u>123,063</u>	<u>119,244</u>
TOTAL ASSETS	<u>202,051</u>	<u>195,927</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	82,046	82,046
Reserves	42,738	41,333
Total equity	<u>124,784</u>	<u>123,379</u>
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	864	843
Current liabilities		
Trade and other payables	15,525	16,424
Short term bank borrowings (unsecured)	60,398	54,944
Taxation payable	480	337
	<u>76,403</u>	<u>71,705</u>
Total liabilities	<u>77,267</u>	<u>72,548</u>
TOTAL EQUITY AND LIABILITIES	<u>202,051</u>	<u>195,927</u>
Net assets per share (RM) *	1.52	1.50

The Condensed Consolidated Statement of Financial Position
should be read in conjunction with the audited annual financial report for the year ended 31 March 2014

*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 FIRST QUARTER ENDED 30 JUNE 2014
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2014

	Period Ended 30/06/2014 RM '000	Period Ended 30/06/2013 RM '000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit before tax	2,115	1,009
Adjustments for :-		
Depreciation of property, plant and equipment	1,975	1,631
Interest income	-	(1)
Interest expenses	560	371
Inventories written off and written down	9	37
Loss on foreign exchange - unrealised	-	1
Operating profit before changes in working capital	4,659	3,048
Changes in working capital:-		
Net change in current assets	(2,373)	(3,994)
Net change in current liabilities	(899)	151
Cash generated from / (used in) operations	1,387	(795)
Interest paid	(560)	(371)
Interest received	-	1
Taxation paid, net of refunds	(430)	(442)
Net cash generated from / (used in) from operating activities	397	(1,607)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,707)	(1,225)
Increase in entrance fee	(427)	(395)
Increase in long term deposits	(192)	(84)
Net cash used in investing activities	(4,326)	(1,704)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Increase / (Decrease) in bank borrowings	5,302	(571)
Net cash from / (used in) financing activities	5,302	(571)
Net increase / (decrease) in cash and cash equivalents	1,373	(3,882)
Net effect of exchange rate movements	(71)	70
Cash and cash equivalents brought forward	3,176	10,170
Net cash and cash equivalents carried forward	4,478	6,358
Cash and cash equivalents comprises:-		
Cash and bank balances	5,429	7,155
Bank overdraft	(951)	(797)
	4,478	6,358

The Condensed Consolidated Statement of Cash Flows
should be read in conjunction with the audited annual financial report for the year ended 31 March 2014

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2014
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2014

	Attributable to equity holders of the Company			Total RM '000
	Share Capital RM '000	Foreign Exchange Reserve RM '000	Unappropriated Profits RM '000	
3 Months				
<u>Ended 30 June 2014</u>				
Balance as at 1 April 2014	82,046	(2,472)	43,805	123,379
Total comprehensive income	-	(107)	1,512	1,405
Balance as at 30 June 2014	82,046	(2,579)	45,317	124,784
3 Months				
<u>Ended 30 June 2013</u>				
Balance as at 1 April 2013	82,046	(2,816)	40,521	119,751
Total comprehensive income	-	132	667	799
Balance as at 30 June 2013	82,046	(2,684)	41,188	120,550

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 2014

**NOTES TO THE INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2014**

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 2014. 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 2014.

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 2014 except for adoption of the following MFRSs, Amendments to MFRSs and Issues Committee (“IC”) Interpretations by the Group with effect from 1 April 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	Impairment of Assets: Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Financial Instrument: Recognition and Measurement- Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies
Annual Improvements to IC Interpretations and MFRSs 2010-2012 Cycle	
Annual Improvements to IC Interpretations and MFRSs 2011-2013 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 July 2014

Amendments to MFRS 2	Share-based Payment: Annual Improvements to MFRSs 2010-2012 Cycle
Amendments to MFRS 3	Business Combinations: Annual Improvements to MFRSs 2010-2012 Cycle
Amendments to MFRS 3	Business Combinations: Annual Improvements to MFRSs 2011-2013 Cycle
Amendments to MFRS 8	Operating Segments: Annual Improvements to MFRSs 2010-2012
Amendments to MFRS 13	Fair Value Measurement: Annual Improvements to MFRSs 2011-2013 Cycle

2 Significant Accounting Policies (Cont'd)

Effective for financial periods beginning on or after 1 July 2014 (Cont'd)

Amendments to MFRS 116	Property, Plant and Equipment: Annual Improvements to MFRSs 2010-2012 Cycle
Amendments to MFRS 119	Employee Benefits: Defined Benefit Plans- Employee Contributions
Amendments to MFRS 124	Related Party Disclosures: Annual Improvements to MFRSs 2010-2012 Cycle
Amendments to MFRS 138	Intangible Assets: Annual Improvements to MFRSs 2010-2012 Cycle
Amendments to MFRS 140	Investment Property: Annual Improvements to MFRSs 2011-2013 Cycle

Effective for financial periods beginning on or after 1 January 2016

Amendments to MFRS 11	Joint Arrangements: Accounting for Acquisitions of Interest in Joint Operations
MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 116	Property, Plant and Equipment: Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 138	Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation

Effective for financial periods to be announced by Malaysian Accounting Standards Board (MASB)

MFRS 7	Financial Instruments Disclosures: Mandatory Effective Date of MFRS 9 and Transition Disclosures [Amendments to MFRS 9 (IFRS 9 issued by International Accounting Standards Board (“IASB”) in November 2009), MFRS 9 (IFRS 9 issued by IASB in October 2010) and MFRS 7]
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009)
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2010)
MFRS 9	Financial Instruments: Mandatory Effective Date of MFRS 9 and Transition Disclosures [Amendments to MFRS 9 (IFRS 9 issued by IASB in November 2009), MFRS 9 (IFRS 9 issued by IASB in October 2010) and MFRS 7]
MFRS 9	Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139)

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any significant impact to the financial statements of the Group upon their initial application.

3 Preceding Year’s Audited Annual Accounts

The audited accounts of the Group for the preceding financial year ended 31 March 2014 were not qualified.

4 Seasonal and Cyclical Factors

The Group’s principal business operations were not significantly affected by seasonal or cyclical factors.

5 Unusual Material Event

There was no unusual material event during the current quarter.

6 Accounting Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years that have a material effect in the current interim period under review.

7 Issuance and Repayment of Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buyback, share cancellation, shares held as treasury shares or resale of treasury shares in the current interim period under review.

8 Dividend

There was no dividend proposed or paid during the current quarter under review.

9 Notes to the Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income

Profit before tax is arrived at after charging / (crediting) the following items:

	Current Quarter	Year-to-Date
	RM '000	RM '000
Interest expense	560	560
Depreciation and amortization	1,975	1,975
Inventories written off and written down	9	9
Interest income	-	-
Foreign exchange gain	(238)	(238)

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 Segment Reporting

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

	Retail	Garment	Elimination	Group Total
	RM '000	Manufacturing	RM '000	RM '000
		RM '000		
3 Months				
<u>Ended 30 June 2014</u>				
Revenue				
External sales	49,030	29,192	-	78,222
Inter-segment sales	-	497	(497)	-
	<u>49,030</u>	<u>29,689</u>	<u>(497)</u>	<u>78,222</u>
Results				
Segment results	2,448	412	-	2,860
Unallocated results				(8)
Profit from operations				<u>2,852</u>
Finance cost				(737)
Profit before tax				<u><u>2,115</u></u>

10 Segment Reporting (Cond't)

	Retail	Garment Manufacturing	Elimination	Group Total
	RM '000	RM '000	RM '000	RM '000
<u>As At 30 June 2014</u>				
Assets				
Segment assets	120,182	81,232	-	201,414
Unallocated assets				637
Total assets				<u>202,051</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
	30/06/2014	As At
	RM '000	31/03/2014
		RM '000
Corporate guarantees given to banks in respect of banking facilities granted to subsidiaries (unsecured)	146,457	<u>154,313</u>

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 RM78.22 million, an increase of 10.69% from RM70.67 million in the previous corresponding quarter.

The retail segment contributed RM49.03 million, an increase of 12.88% from RM43.44 million in the previous corresponding quarter. Profit before tax increased to RM1.98 million from RM1.01 million in the previous corresponding quarter. The positive growth in the retail segment is largely due to the continuing strong performance of the Malaysian economy supported by resilient domestic demand, the end of season sales and promotional campaigns.

16 Review of Performance (Cont'd)

Comparison with the corresponding quarter in the previous financial year (Cont'd)

The garment manufacturing segment contributed RM29.19 million, an increase of 7.20% from RM27.23 million in the previous corresponding quarter. Profit before tax amounted to RM0.14 million from RM0.01 million in the previous corresponding quarter. This was mainly due to stronger overseas demand, particularly from the United States as well as from improvements in the performance of the manufacturing segment.

17 Comparison with Immediate Preceding Quarter

In the current quarter ended 30 June 2014, the Group's total revenue amounted to RM78.22 million, a decrease of 5.88% from RM83.11 million in the immediate preceding quarter.

Of the total, the retail segment's revenue was RM49.03 million, an increase of 4.48% from RM46.93 million in the preceding quarter. The garment manufacturing segment's revenue was RM29.19 million, a decrease of 19.33% from RM36.19 million in the immediate preceding quarter.

Profit before tax for the current quarter amounted to RM2.12 million, an increase of 84.88% from RM1.14 million in the immediate preceding quarter. Of this, the retail segment contributed RM1.98 million, from RM1.10 million in the immediate preceding quarter, whilst the garment manufacturing segment contributed RM0.14 million, from RM0.15 million in the immediate preceding quarter.

18 Current Year Prospects

The Group is continuing to maintain a positive longer term outlook and will remain on an expansionary mode. The strong performance of the Malaysian economy augurs well for the domestic retail environment even as a new GST era looms ahead.

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	573	573
Deferred taxation	30	30
	<u>603</u>	<u>603</u>

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

21 Realised and Unrealised Profits / Losses Disclosure

	As At	As At
	30/06/2014	31/03/2014
	RM '000	RM '000
Realised	87,032	85,709
Unrealised	(290)	(403)
	<u>86,742</u>	<u>85,306</u>
Consolidation adjustments	(41,425)	(41,501)
Total Group retained earnings as per consolidated accounts	<u>45,317</u>	<u>43,805</u>

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)	<u><u>60,398</u></u>

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 30 June 2014; 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	
	30/06/2014	30/06/2013	30/06/2014	30/06/2013
Profit for the period attributable to equity holders of the Company (RM'000)	1,512	667	1,512	667
Weighted average number of ordinary shares in issue (RM'000)	82,046	82,046	82,046	82,046
Basic earnings per share (sen)	<u><u>1.84</u></u>	<u><u>0.81</u></u>	<u><u>1.84</u></u>	<u><u>0.81</u></u>