

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2015
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2015
CONTINUING OPERATIONS

	Current Quarter Ended 30/06/2015 RM '000	Corresponding Quarter Ended 30/06/2014 RM '000	Current 3 Months Ended 30/06/2015 RM '000	Corresponding 3 Months Ended 30/06/2014 RM '000
Revenue	83,663	78,222	83,663	78,222
Other income	601	239	601	239
	<hr/> 84,264	<hr/> 78,461	<hr/> 84,264	<hr/> 78,461
Operating expenses	(81,769)	(75,609)	(81,769)	(75,609)
Finance cost	(810)	(737)	(810)	(737)
Profit before tax	<hr/> 1,685	<hr/> 2,115	<hr/> 1,685	<hr/> 2,115
Taxation	(267)	(603)	(267)	(603)
Profit for the period attributable to equity holders of the Company	<hr/> 1,418	<hr/> 1,512	<hr/> 1,418	<hr/> 1,512
Other comprehensive income				
Currency translation difference arising from consolidation	124	(107)	124	(107)
Total comprehensive income for the period attributable to equity holders of the Company	<hr/> 1,542 <hr/>	<hr/> 1,405 <hr/>	<hr/> 1,542 <hr/>	<hr/> 1,405 <hr/>
Earnings per share				
- Basic (sen)	1.73	1.84	1.73	1.84
- Diluted (sen)	-	-	-	-

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited annual financial report for the year ended 31 March 2015

JERASIA CAPITAL BERHAD (503248-A)
INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Unaudited	Audited
	As At	As At
	30/06/2015	31/03/2015
	RM '000	RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	49,565	42,905
Intangible assets	29,951	30,030
Deferred tax assets	1,600	1,533
	<u>81,116</u>	<u>74,468</u>
Current assets		
Inventories	79,501	62,944
Trade and other receivables	74,396	78,054
Cash and bank balances	9,601	10,228
	<u>163,498</u>	<u>151,226</u>
TOTAL ASSETS	<u>244,614</u>	<u>225,694</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	82,046	82,046
Reserves	53,636	52,094
Total equity	<u>135,682</u>	<u>134,140</u>
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	710	784
Bank borrowings (unsecured)	7,625	6,744
	<u>8,335</u>	<u>7,528</u>
Current liabilities		
Trade and other payables	22,776	17,578
Bank borrowings (unsecured)	77,571	66,167
Tax payable	250	281
	<u>100,597</u>	<u>84,026</u>
Total liabilities	<u>108,932</u>	<u>91,554</u>
TOTAL EQUITY AND LIABILITIES	<u>244,614</u>	<u>225,694</u>
Net assets per share (RM) *	1.65	1.63

The Condensed Consolidated Statement of Financial Position
should be read in conjunction with the audited annual financial report for the year ended 31 March 2015

*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

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FOR THE FIRST QUARTER ENDED 30 JUNE 2015
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2015

	Period Ended 30/06/2015 RM '000	Period Ended 30/06/2014 RM '000
CASH FLOWS (USED IN) / FROM OPERATING ACTIVITIES		
Profit before tax	1,685	2,115
Adjustments for:-		
Depreciation of property, plant and equipment	2,384	1,975
Interest income	(1)	-
Interest expenses	810	560
Inventories written off and written down	-	9
Gain on foreign exchange - unrealised	(242)	-
Operating profit before changes in working capital	4,636	4,659
Changes in working capital:-		
Net change in current assets	(12,657)	(2,565)
Net change in current liabilities	5,198	(899)
Cash (used in) / generated from operations	(2,823)	1,195
Interest paid	(810)	(560)
Interest received	1	-
Taxation paid, net of refunds	(439)	(430)
Net cash (used in) / generated from operating activities	(4,071)	205
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(9,020)	(3,707)
Decrease / (Increase) in entrance fee	79	(427)
Net cash used in investing activities	(8,941)	(4,134)
CASH FLOWS FROM FINANCING ACTIVITY		
Increase in bank borrowings	12,523	5,302
Net cash generated from financing activity	12,523	5,302
Net (decrease) / increase in cash and cash equivalents	(489)	1,373
Net effect of exchange rate movements	101	(71)
Cash and cash equivalents brought forward	9,140	3,176
Net cash and cash equivalents carried forward	8,752	4,478
Cash and cash equivalents comprises:-		
Cash and bank balances	9,601	5,429
Bank overdraft	(849)	(951)
	8,752	4,478

The Condensed Consolidated Statement of Cash Flows
should be read in conjunction with the audited annual financial report for the year ended 31 March 2015

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FOR THE FIRST QUARTER ENDED 30 JUNE 2015
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2015

	Attributable to equity holders of the Company			
	Share Capital RM '000	Foreign Exchange Translation Reserve RM '000	Retained Earnings RM '000	Total RM '000
3 Months				
<u>Ended 30 June 2015</u>				
Balance as at 1 April 2015	82,046	(1,739)	53,833	134,140
Total comprehensive income	-	124	1,418	1,542
Balance as at 30 June 2015	82,046	(1,615)	55,251	135,682
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

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 2015

**NOTES TO THE INTERIM FINANCIAL REPORTS ON THE CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2015**

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 2015. 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 2015.

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 2015 except for adoption of new and amendments to accounting standards with effect from 1 April 2015.

The adoption of the new and amendments to accounting standards with effect from 1 April 2015 did not have any 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 2016

Amendments to MFRS 10	Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities- Applying the Consolidation Exception
Amendments to MFRS 11	Joint Arrangements: Accounting for Acquisitions of Interest in Joint Operations
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities- Applying the Consolidation Exception
MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 101	Presentation of Financial Statements: Disclosure Initiative
Amendments to MFRS 116	Property, Plant and Equipment: Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116	Property, Plant and Equipment: Agriculture- Bearer Plants
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Amendments to MFRS 128	Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 128	Investments in Associates and Joint Ventures: Investment Entities- Applying the Consolidation Exception
Amendments to MFRS 138	Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 141	Agriculture: Bearer Plants
Annual Improvements to MFRSs 2012-2014 Cycle	

2 Significant Accounting Policies (Cont'd)

Effective for financial periods beginning on or after 1 January 2017

MFRS 15 Revenue from Contracts with Customers

Effective for financial periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)

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 2015 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 buy-back, 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 or 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	810	810
Depreciation and amortization	2,384	2,384
Interest income	(1)	(1)
Foreign exchange gain	(600)	(600)

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

There was no gain or loss on disposal of properties and quoted or unquoted investments; inventories written off and written down; trade and other receivables written off; provision for doubtful debts; 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 Manufacturing	Others	Elimination	Group Total
	RM '000	RM '000	RM '000	RM '000	RM '000
3 Months					
<u>Ended 30 June 2015</u>					
Revenue					
External sales	48,588	35,075	-	-	83,663
	<u>48,588</u>	<u>35,075</u>	<u>-</u>	<u>-</u>	<u>83,663</u>
Results					
Segment results	1,002	445	(26)	(3)	1,418
	<u>1,002</u>	<u>445</u>	<u>(26)</u>	<u>(3)</u>	<u>1,418</u>
<u>As At 30 June 2015</u>					
Assets					
Segment assets	132,616	168,466	102,212	(158,680)	244,614
	<u>132,616</u>	<u>168,466</u>	<u>102,212</u>	<u>(158,680)</u>	<u>244,614</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 30/06/2015 RM '000	Audited As At 31/03/2015 RM '000
Corporate guarantees given to banks in respect of banking facilities granted to subsidiaries (unsecured)	169,967	170,414
	<u>169,967</u>	<u>170,414</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 RM83.66 million, an increase of 6.96% from RM78.22 million in the previous corresponding quarter.

The retail segment contributed RM48.59 million, a decrease of 0.90% from RM49.03 million in the previous corresponding quarter. Profit before tax decreased by 36.16% to RM1.27 million from RM1.98 million in the previous corresponding quarter. This decrease in the retail segment is largely due to expected consumers' inhibitions towards spending arising from the implementation of the Goods and Services Tax (GST) on 1 April 2015.

Revenue for the garment manufacturing segment increased by 20.15% to RM35.08 million from RM29.19 million in the previous corresponding quarter. Profit before tax increased to RM0.45 million from RM0.14 million in the previous corresponding quarter mainly due to foreign exchange gain.

17 Comparison with Immediate Preceding Quarter

In the current quarter ended 30 June 2015, the Group's total revenue amounted to RM83.66 million, a decrease of 8.11% from RM91.05 million in the immediate preceding quarter.

Of the total, the retail segment's revenue was RM48.59 million, a decrease of 1.34% from RM49.25 million in the preceding quarter. The garment manufacturing segment's revenue was RM35.08 million, a decrease of 16.10% from RM41.80 million in the immediate preceding quarter.

Profit before tax for the retail segment contributed RM1.27 million, from RM1.13 million in the immediate preceding quarter. The garment manufacturing segment contributed RM0.45 million in profit before tax, from RM4.30 million in the immediate preceding quarter. The Group's profit before tax in the current quarter amounted to RM1.69 million, a decrease of 68.23% from RM5.30 million in the immediate preceding quarter. This is due primarily to the net effect of unrealised foreign exchange fluctuations.

18 Prospects for the Current Financial Year

The current uncertainties surrounding the domestic and global economy require greater vigilance and cautiousness. However, rather than wait for such uncertainties to subside, the Group maintains a long term expansionary approach, particularly in the retail segment.

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	407	407
Deferred taxation	(140)	(140)
	<u>267</u>	<u>267</u>

The Group's effective tax rate is lower than the statutory tax rate. The main reasons are non-taxable income, and two subsidiary companies benefiting from the utilisation of tax losses brought forward from prior years.

21 Retained Earnings

	As At	As At
	30/06/2015	31/03/2015
	RM '000	RM '000
Realised	95,412	89,876
Unrealised	1,131	5,260
	<u>96,543</u>	<u>95,136</u>
Consolidation adjustments	(41,292)	(41,303)
Group retained earnings as per consolidated accounts	<u>55,251</u>	<u>53,833</u>

22 Status of Corporate Proposals Announced and Not Completed

Share Buy-Back

At the Fifteenth Annual General Meeting held on 27 August 2015, 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
Bank borrowings (unsecured)	<u>85,196</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 2015; 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	
	30/06/2015	30/06/2014	30/06/2015	30/06/2014
Profit for the period attributable to equity holders of the Company (RM' 000)	1,418	1,512	1,418	1,512
Weighted average number of ordinary shares in issue (RM' 000)	82,046	82,046	82,046	82,046
Basic earnings per share (sen)	1.73	1.84	1.73	1.84