

**JERASIA CAPITAL BERHAD (503248-A)**  
**INTERIM FINANCIAL REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 31 MARCH 2017**  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 MARCH 2017**  
**CONTINUING OPERATIONS**

	<b>Current Quarter Ended 31/03/2017 RM '000</b>	<b>Year- To-Date Ended 31/03/2017 RM '000</b>
<b>Revenue</b>	108,189	350,509
Other income	3,570	8,804
	<hr/> 111,759	<hr/> 359,313
Operating expenses	(109,429)	(350,465)
Finance cost	(1,226)	(3,671)
<b>Profit before tax</b>	<hr/> 1,104	<hr/> 5,177
Taxation	(181)	(494)
<b>Profit for the period attributable to equity holders of the Company</b>	<hr/> <b>923</b>	<hr/> <b>4,683</b>
<b>Other comprehensive income</b>		
Currency translation difference arising from consolidation	(138)	975
<b>Total comprehensive income for the period attributable to equity holders of the Company</b>	<hr/> <b>785</b> <hr/>	<hr/> <b>5,658</b> <hr/>
<b>Earnings per share</b>		
- Basic/ Diluted (sen)	1.12	5.71

**Note:** There are no comparative figures presented, pursuant to the change in the financial year end from 31 March 2016 to 30 June 2016.

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 30 June 2016.

**JERASIA CAPITAL BERHAD (503248-A)**  
**INTERIM FINANCIAL REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 31 MARCH 2017**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2017**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>As At</b>
	<b>31/03/2017</b>	<b>30/06/2016</b>
	<b>RM '000</b>	<b>RM '000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	61,676	62,632
Intangible assets	31,602	30,827
Deferred tax assets	1,499	1,271
	<u>94,777</u>	<u>94,730</u>
<b>Current assets</b>		
Inventories	106,388	82,128
Trade and other receivables	105,698	94,703
Tax recoverable	638	492
Cash and bank balances	6,035	9,823
	<u>218,759</u>	<u>187,146</u>
<b>TOTAL ASSETS</b>	<b><u>313,536</u></b>	<b><u>281,876</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	82,046	82,046
Reserves	65,554	59,896
<b>Total equity</b>	<u>147,600</u>	<u>141,942</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	849	1,125
Bank borrowings (unsecured)	8,453	12,319
	<u>9,302</u>	<u>13,444</u>
<b>Current liabilities</b>		
Trade and other payables	42,994	36,055
Bank borrowings (unsecured)	113,640	90,435
	<u>156,634</u>	<u>126,490</u>
<b>Total liabilities</b>	<u>165,936</u>	<u>139,934</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>313,536</u></b>	<b><u>281,876</u></b>
Net assets per share (RM) *	1.80	1.73

**The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2016.**

\*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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**INTERIM FINANCIAL REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 31 MARCH 2017**  
**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 MARCH 2017**

	<b>Period Ended</b> <b>31/03/2017</b> <b>RM '000</b>
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>	
Profit before tax	5,177
Adjustments for:-	
Depreciation of property, plant and equipment	9,932
Interest income	(7)
Interest expenses	(3,671)
Loss on foreign exchange - unrealised	4,632
Operating profit before changes in working capital	<u>16,063</u>
Changes in working capital:-	
Net change in current assets	(39,887)
Net change in current liabilities	<u>6,939</u>
Cash used in operations	(16,885)
Interest paid	3,671
Interest received	7
Taxation paid, net of refunds	<u>(1,145)</u>
Net cash used in operating activities	<u>(14,352)</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment	(8,840)
Increase in entrance fee	<u>(774)</u>
Net cash used in investing activities	<u>(9,614)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>	
Increase in bank borrowings	<u>19,515</u>
Net cash generated from financing activity	<u>19,515</u>
Net decrease in cash and cash equivalents	(4,451)
Net effect of exchange rate movements	839
Cash and cash equivalents brought forward	<u>8,681</u>
Net cash and cash equivalents carried forward	<u><u>5,069</u></u>
Cash and cash equivalents comprises:-	
Cash and bank balances	6,035
Bank overdraft	<u>(966)</u>
	<u><u>5,069</u></u>

**Note: There are no comparative figures presented, pursuant to the change in the financial year end from 31 March 2016 to 30 June 2016.**

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2016.**

**JERASIA CAPITAL BERHAD (503248-A)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MARCH 2017**

	Attributable to equity holders of the Company			
	Share Capital RM '000	Foreign Exchange Translation Reserve RM '000	Retained Earnings RM '000	Total RM '000
<b>9 Months</b>				
<b><u>Ended 31 March 2017</u></b>				
Balance as at 1 July 2016	82,046	(1,050)	60,946	141,942
Total comprehensive income	-	975	4,683	5,658
Balance as at 31 March 2017	82,046	(75)	65,629	147,600

**Note: There are no comparative figures presented, pursuant to the change in the financial year end from 31 March 2016 to 30 June 2016.**

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2016.**

**JERASIA CAPITAL BERHAD (503248-A)**  
**NOTES TO THE INTERIM FINANCIAL REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 31 MARCH 2017**

**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 period ended 30 June 2016. 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 period ended 30 June 2016.

**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 the financial period ended 30 June 2016 except for the adoption of the new and amendments to accounting standards with effect from 1 July 2016.

The adoption of the new and amendments to accounting standards with effect from 1 July 2016 did not have any impact on the interim financial report 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 2017**

Amendments to MFRS 107	Statement of Cash Flows: Disclosure Initiative
Amendments to MFRS 112	Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to MFRS Standards 2014-2016 Cycle	

**Effective for financial periods beginning on or after 1 January 2018**

MFRS 9	Financial Instruments (IFRS 9 as issued by IASB in July 2014)
MFRS 15	Revenue from Contracts with Customers
MFRS 15	Clarifications to MFRS 15 Revenue from Contracts with Customers
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 140	Transfers of Investment Property
Annual Improvements to MFRS Standards 2014-2016 Cycle	

**Effective for financial periods beginning on or after 1 January 2019**

MFRS 16	Leases
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**Standards have been deferred, and yet to be announced by Malaysian Accounting Standards Board**

Amendments to MFRS 10	Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 128	Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

## **2 Significant Accounting Policies (Cont'd)**

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 financial statements of the Group for the preceding financial period ended 30 June 2016 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 financial years that have a material effect in the current financial 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:-

	<b>Current Quarter</b>	<b>Year-to-Date</b>
	<b>RM '000</b>	<b>RM '000</b>
Interest expense	1,226	3,671
Depreciation and amortization	3,347	9,932
Interest income	(3)	(7)
Foreign exchange loss / (gain)	822	(4,087)

There was no gain or loss on disposal of properties or quoted or unquoted investments; inventories written off and written down; 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: -

	<b>Retail</b>	<b>Garment Manufacturing</b>	<b>Others</b>	<b>Elimination</b>	<b>Group Total</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<b>9 Months</b>					
<b><u>Ended 31 March 2017</u></b>					
<b>Revenue</b>					
External sales	172,868	177,641	-	-	350,509
<b>Results</b>					
Segment results	2,433	2,572	(305)	(17)	4,683
<b><u>As At 31 March 2017</u></b>					
<b>Assets</b>					
Segment assets	174,375	243,196	102,263	(206,298)	313,536

## 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

	<b>As At</b>	<b>Audited</b>
	<b>31/03/2017</b>	<b>As At</b>
	<b>RM '000</b>	<b>30/06/2016</b>
		<b>RM '000</b>
Corporate guarantees given to banks in respect of banking facilities granted to subsidiaries (unsecured)	270,240	188,692

## 15 Significant Related Party Transaction

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

## **16 Review of Performance**

The Group had changed its financial year end from 31 March to 30 June. The first financial statements that made up to 30 June was for a 15-month period ended 30 June 2016. As such, there are no comparative figures presented in this report.

The Group's total revenue for the three month period ended 31 March 2017 was RM108.19 million. Profit before tax for the Group was RM1.10 million.

The retail segment generated a revenue of RM55.20 million. Profit before tax for this segment was RM0.38 million. The Group recognises the challenges in the domestic economy, taking into account reduced household disposable income and inflation.

The manufacturing segment's revenue contributed RM52.99 million to the Group. Profit before tax was RM0.91 million. Revenue in the manufacturing segment continues to be sustainable, for the foreseeable future.

## **17 Comparison with Immediate Preceding Quarter**

In the current quarter ended 31 March 2017, the Group's total revenue amounted to RM108.19 million, a decrease of 16.86% from RM130.12 million in the preceding quarter. The Group's profit before tax in the current quarter declined by 47.80% to RM1.10 million from RM2.12 million in the preceding quarter.

Revenue in the retail segment declined by 12.18% to RM55.20 million from RM62.86 million in the preceding quarter. Profit before tax declined by 69.20% to RM0.38 million from RM1.24 million in the preceding quarter. This decrease was primarily due to year-end festivities, school holidays and end of season sale campaign in the preceding quarter.

The garment manufacturing segment's revenue was at RM52.99 million, a decrease of 21.23% from RM67.27 million in the preceding quarter. Profit before tax decreased marginally to RM0.91 million from RM0.99 million in the preceding quarter. This decrease in revenue was primarily due to the mismatch on the timing of export shipments.

## **18 Prospects for the Current Financial Year**

Whilst the Group is adopting a more conservative and cautious approach and is bracing itself for a more challenging operating environment, the prospects for the current financial year remains sustainable.

## **19 Profit Forecast or Guarantee**

Not applicable.

## **20 Taxation**

The breakdown of taxation is as follows:-

	<b>Current Quarter</b>	<b>Year-to-Date</b>
	<b>RM '000</b>	<b>RM '000</b>
Estimated current tax payable	148	999
Deferred taxation	33	(505)
	<u>181</u>	<u>494</u>



## 20 Taxation (Cont'd)

The Group's effective tax rate is lower than the statutory tax rate. This is mainly due to three subsidiary companies benefiting from the utilisation of tax losses brought forward from prior years.

## 21 Retained Earnings

	As At 31/03/2017 RM '000	As At 30/06/2016 RM '000
Realised	110,832	101,506
Unrealised	(3,982)	707
	<hr/> 106,850	<hr/> 102,213
Consolidation adjustments	(41,221)	(41,267)
Group retained earnings as per consolidated accounts	<hr/> <hr/> 65,629	<hr/> <hr/> 60,946

## 22 Status of Corporate Proposals Announced and Not Completed

### Share Buy-Back

At the Sixteenth Annual General Meeting held on 23 November 2016, 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:-

Bank borrowings (unsecured)	<b>RM '000</b> <hr/> <hr/> 122,093
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There was no debt securities issued.

## 24 Pending Material Litigation

There is no pending material litigation.

## 25 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 31/03/2017	Year-to-Date 31/03/2017
Profit for the period attributable to equity holders of the Company (RM' 000)	923	4,683
Weighted average number of ordinary shares in issue (RM' 000)	82,046	82,046
Basic/ Diluted earnings per share (sen)	<hr/> <hr/> 1.12	<hr/> <hr/> 5.71