

**JERASIA CAPITAL BERHAD (503248-A)**  
**INTERIM FINANCIAL REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2020**  
**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2020**  
**CONTINUING OPERATIONS**

	<b>Current Quarter Ended 30/09/2020 RM '000</b>	<b>15 Months Period Ended 30/09/2020 RM '000</b>
Revenue	25,164	402,105
Other income	(113)	619
	<hr/> 25,051	<hr/> 402,724
Operating expenses	(34,895)	(467,256)
Finance cost	(57)	(4,764)
<b>Loss before tax</b>	<hr/> (9,901)	<hr/> (69,296)
Taxation	5	(326)
<b>Loss for the period attributable to equity holders of the Company</b>	<hr/> <b>(9,896)</b>	<hr/> <b>(69,622)</b>
<b>Other comprehensive (loss) / income</b>		
Currency translation difference arising from consolidation	(1,077)	186
<b>Total comprehensive loss for the period attributable to equity holders of the Company</b>	<hr/> <b>(10,973)</b> <hr/>	<hr/> <b>(69,436)</b> <hr/>
<b>Loss per share</b>		
- Basic/ Diluted (sen)	(12.06)	(84.86)

**Note: Pursuant to the change in the financial year end from 30 June 2020 to 30 November 2020, there are no comparative figures presented.**

**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 year ended 30 June 2019.**

**JERASIA CAPITAL BERHAD (503248-A)**  
**INTERIM FINANCIAL REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2020**  
**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2020**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>As At</b>
	<b>30/09/2020</b>	<b>30/06/2019</b>
	<b>RM '000</b>	<b>RM '000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	32,064	55,074
Intangible assets	26,462	31,062
Deferred tax assets	2,041	2,160
Total non-current assets	<u>60,567</u>	<u>88,296</u>
<b>Current assets</b>		
Inventories	99,379	157,362
Trade and other receivables	155,986	91,677
Tax recoverable	779	507
Cash and bank balances	3,337	2,183
Total current assets	<u>259,481</u>	<u>251,729</u>
<b>TOTAL ASSETS</b>	<b><u>320,048</u></b>	<b><u>340,025</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	82,046	82,046
Reserves	2,733	72,169
<b>Total equity</b>	<u>84,779</u>	<u>154,215</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	395	395
Bank borrowings (unsecured)	-	1,167
Total non-current liabilities	<u>395</u>	<u>1,562</u>
<b>Current liabilities</b>		
Trade and other payables	50,126	40,331
Bank borrowings (unsecured)	184,432	142,867
Tax payable	316	1,050
Total current liabilities	<u>234,874</u>	<u>184,248</u>
<b>Total liabilities</b>	<u>235,269</u>	<u>185,810</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>320,048</u></b>	<b><u>340,025</u></b>
Net assets per share (RM) *	1.03	1.88

**The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019.**

\*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 REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2020**  
**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

	<b>Period Ended</b> <b>30/09/2020</b> <b>RM '000</b>
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>	
Loss before tax	(69,296)
Adjustments for:-	
Depreciation of property, plant and equipment	17,609
Interest expenses	4,764
Property, plant and equipment written off	6,810
Loss on disposal of property, plant and equipment	345
Loss on foreign exchange - unrealised	455
Operating loss before changes in working capital	(39,313)
Changes in working capital:-	
Net change in current assets	(6,781)
Net change in current liabilities	9,794
Cash used in operations	(36,300)
Taxation paid	(1,213)
Net cash used in operating activities	(37,513)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment	(1,894)
Proceeds from disposal of property, plant and equipment	151
Decrease in entrance fee	4,601
Net cash generated from investing activities	2,858
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>	
Increase in bank borrowings	40,377
Interest paid	(4,764)
Net cash generated from financing activity	35,613
Net increase in cash and cash equivalents	958
Net effect of exchange translation differences	175
Cash and cash equivalents brought forward	1,505
Net cash and cash equivalents carried forward	2,638
Cash and cash equivalents comprises:-	
Cash and bank balances	3,337
Bank overdraft	(699)
	2,638

**Note: Pursuant to the change in the financial year end from 30 June 2020 to 30 November 2020, there are no comparative figures presented.**

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019.**

**JERASIA CAPITAL BERHAD (503248-A)**  
**INTERIM FINANCIAL REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2020**  
**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

	Attributable to equity holders of the Company				Total RM '000
	Share Capital RM '000	Foreign Exchange Translation Reserve RM '000	Revaluation Reserve RM '000	Retained Earnings RM '000	
<b>15 Months</b>					
<b><u>Ended 30 September 2020</u></b>					
Balance as at 1 July 2019	82,046	(1,659)	-	73,828	154,215
Total comprehensive income	-	186	-	(69,622)	(69,436)
Balance as at 30 September 2020	<u>82,046</u>	<u>(1,473)</u>	-	<u>4,206</u>	<u>84,779</u>

**Note:** Pursuant to the change in the financial year end from 30 June 2020 to 30 November 2020, there are no comparative figures presented.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019.

**JERASIA CAPITAL BERHAD (503248-A)**  
**NOTES TO THE INTERIM FINANCIAL REPORT ON THE CONSOLIDATED RESULTS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2020**

**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 30 June 2019. 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 30 June 2019.

As announced on 10 August 2020, the Company has changed its financial year end from 30 June 2020 to 30 November 2020.

**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 year ended 30 June 2019 except for the adoption of the new and amendments to accounting standards with effect from 1 July 2019.

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 2020**

Amendments to MFRS 3	Business Combinations
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 101	Presentation of Financial Statements

**Effective for financial periods beginning on or after 1 January 2021**

MFRS 17	Insurance Contracts
---------	---------------------

**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

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 year ended 30 June 2019 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 save for the Government's announcement of a Movement Control Order ("MCO") on 16 March 2020 to combat the COVID-19 pandemic and the current ongoing Conditional Movement Control Order ("CMCO") for certain States in Malaysia starting with Sabah on 13 October 2020.

#### 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

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

	<b>Current Quarter</b>	<b>Period-to-Date</b>
	<b>RM '000</b>	<b>RM '000</b>
Interest expense	57	4,764
Depreciation and amortization	2,666	17,609
Foreign exchange loss / (gain)	673	(134)

There was no gain or loss on disposal of properties or quoted or unquoted investments; provision for doubtful debts; impairment of assets; gain or loss on derivatives and exceptional items for the financial quarter and financial period 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>15 Months</b>					
<b>Ended 30 September 2020</b>					
<b>Revenue</b>					
External sales	146,446	255,659	-	-	402,105
<b>15 Months</b>					
<b>Ended 30 September 2020</b>					
<b>Results</b>					
Segment results	(55,647)	(13,687)	(763)	475	(69,622)

## 10 Segment Reporting (Con't)

	<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><u>As At 30 September 2020</u></b>					
<b>Assets</b>					
Segment assets	215,375	164,110	102,028	(161,465)	320,048

## 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>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>Financial</b>
	<b>30/09/2020</b>	<b>As At</b>
	<b>RM '000</b>	<b>30/06/2019</b>
	<b>RM '000</b>	<b>RM '000</b>
Corporate guarantees given to banks in respect of banking facilities granted to subsidiaries (unsecured)	298,693	269,423

## 15 Significant Related Party Transaction

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

## 16 Review of Performance

The Group has changed its financial year end from 30 June 2020 to 30 November 2020. This reporting covers the fifteen months period from 1 July 2019 to 30 September 2020. As such, there are no comparative information presented in this report.

The Group's total revenue for the fifteen months period ended 30 September 2020 was RM402.11 million. Loss before tax for the Group was RM69.30 million. Particular attention is drawn to the fact that the last 6 months, April to September 2020 were the COVID-19 pandemic months. The government had instituted Movement Control Order (MCO) measures to curb the spread of the virus. These measures have severely impacted the economy and accordingly, the Group's performance both in terms of revenue and profitability has not been spared.

## **16 Review of Performance (Con't)**

Of the total revenue, the retail segment generated a lower RM146.45 million. Losses before tax for this segment was RM55.58 million. There has since been encouraging signs of revival although, very progressive and slow.

The manufacturing segment's revenue, on the other hand, contributed RM255.66 million. Loss before tax was RM12.96 million. Recovery in this segment is still sluggish but order books have started to fill up.

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

In the current quarter ended 30 September 2020, the Group's total revenue amounted to RM25.16 million, an increase of 29.4% from RM19.45 million in the preceding quarter. The Group's loss before tax in the current quarter was RM9.90 million from a loss before tax of RM51.47 million in the preceding quarter.

Revenue in the retail segment improved by 65.5% to RM13.86 million from RM8.38 million in the preceding quarter. This reflected an improving situation albeit slowly. Loss before tax for this segment amounted to RM7.54 million, an improvement over the loss before tax of RM38.17 million in the preceding quarter.

The manufacturing segment's revenue improved slightly by 2.0% to RM11.30 million from RM11.08 million in the preceding quarter. The loss before tax in the current quarter was RM2.10 million compared to a loss before tax of RM13.17 million in the preceding quarter due to aggressive cost-cutting measures.

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

The Group's outlook hinges largely on the recovery of the global and domestic economy from the severe effects of the pandemic. With encouraging news of potential vaccines being on the threshold of approval by such regulatory authorities as the US FDA, the path to turn around by businesses from 2021 onwards appears promising. The ambitious Malaysian budget as announced on 6 November 2020, is expected to create a right enabling environment for recovery and for businesses to be assisted in meeting the continuing challenges ahead.

The Group's capital raising exercise by way of a Rights Issue to capitalise, as announced on 10 August 2020, is pivotal and on track. It will deleverage the Group's bank borrowings and will address liquidity issues due to cash flow mismatches. In addition, plans are actively being undertaken to deepen and expand the Group's entry into the healthcare segment.

## **19 Profit Forecast or Guarantee**

Not applicable.

## **20 Taxation**

The breakdown of taxation is as follows:-

	<b>Current Quarter</b>	<b>Period-to-Date</b>
	<b>RM '000</b>	<b>RM '000</b>
Estimated current tax payable	-	208
Deferred taxation	(5)	118
	<u>(5)</u>	<u>326</u>



## 21 Retained Earnings

	As At 30/09/2020	As At 30/06/2019
	RM '000	RM '000
Realised	50,449	120,666
Unrealised	1,190	1,175
	<hr/> 51,639	<hr/> 121,841
Consolidation adjustments	(47,433)	(48,013)
Group retained earnings as per consolidated accounts	<hr/> <hr/> 4,206	<hr/> <hr/> 73,828

## 22 Status of Corporate Proposals Announced and Not Completed

### Share Buy-Back

At the Nineteenth Annual General Meeting held on 28 November 2019, 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)	<hr/> <hr/> 184,432

There was no debt securities issued.

## 24 Pending Material Litigation

There is no pending material litigation.

## 25 Loss per Share

Loss per share have been computed based on loss 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 30/09/2020	15 Months Ended 30/09/2020
Loss for the period attributable to equity holders of the Company (RM' 000)	(9,896)	(69,622)
Weighted average number of ordinary shares in issue (RM' 000)	82,046	82,046
Basic / Diluted loss per share (sen)	<hr/> <hr/> (12.06)	<hr/> <hr/> (84.86)