

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR FINANCIAL PERIOD ENDED 30 NOVEMBER 2020**  
**CONTINUING OPERATIONS**

	<b>Current Period Ended 30/11/2020 RM '000</b>	<b>17 Months Period Ended 30/11/2020 RM '000</b>
Revenue	26,753	428,858
Other income	(216)	403
	<hr/> 26,537	<hr/> 429,261
Operating expenses	(40,044)	(507,300)
Finance cost	(125)	(4,889)
<b>Loss before tax</b>	<hr/> (13,632)	<hr/> (82,928)
Taxation	(27)	(353)
<b>Loss for the year attributable to equity holders of the Company</b>	<hr/> (13,659)	<hr/> (83,281)
<b>Other comprehensive (loss)</b>		
Currency translation difference arising from consolidation	(683)	(497)
<b>Total comprehensive loss for the year attributable to equity holders of the Company</b>	<hr/> <b>(14,342)</b> <hr/>	<hr/> <b>(83,778)</b> <hr/>
<b>Loss per share</b>		
- Basic/ Diluted (sen)	(16.65)	(101.51)

**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.**

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**FOR FINANCIAL PERIOD ENDED 30 NOVEMBER 2020**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT ENDED 30 NOVEMBER 2020**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As At</b>	<b>As At</b>
	<b>30/11/2020</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	45,562	55,074
Intangible assets	26,462	31,062
Deferred tax assets	2,014	2,160
Total non-current assets	<u>74,038</u>	<u>88,296</u>
<b>Current assets</b>		
Inventories	90,177	157,362
Trade and other receivables	171,880	91,677
Tax recoverable	779	507
Cash and bank balances	1,293	2,183
Total current assets	<u>264,129</u>	<u>251,729</u>
<b>TOTAL ASSETS</b>	<b><u>338,167</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	3,674	72,169
<b>Total equity</b>	<u>85,720</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	65,961	40,331
Bank borrowings (unsecured)	185,849	142,867
Tax payable	242	1,050
Total current liabilities	<u>252,052</u>	<u>184,248</u>
<b>Total liabilities</b>	<u>252,447</u>	<u>185,810</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>338,167</u></b>	<b><u>340,025</u></b>
Net assets per share (RM) *	1.04	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.

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

	<b>Period Ended</b> <b>30/11/2020</b> <b>RM '000</b>
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>	
Loss before tax	(82,928)
Adjustments for:-	
Depreciation of property, plant and equipment	19,355
Interest expenses	4,889
Property, plant and equipment written off	6,829
Loss on disposal of property, plant and equipment	345
Loss on foreign exchange - unrealised	781
Operating loss before changes in working capital	(50,729)
Changes in working capital:-	
Net change in current assets	(13,798)
Net change in current liabilities	25,629
Cash used in operations	(38,898)
Taxation paid	(1,288)
Net cash used in operating activities	(40,186)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment	(1,917)
Proceeds from disposal of property, plant and equipment	151
Decrease in entrance fee	4,601
Net cash generated from investing activities	2,835
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>	
Increase in bank borrowings	41,794
Interest paid	(4,889)
Net cash generated from financing activity	36,905
Net decrease in cash and cash equivalents	(446)
Net effect of exchange translation differences	(465)
Cash and cash equivalents brought forward	1,505
Net cash and cash equivalents carried forward	594
Cash and cash equivalents comprises:-	
Cash and bank balances	1,293
Bank overdraft	(699)
	594

**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.**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 NOVEMBER 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>17 Months</b>					
<b><u>Ended 30 November 2020</u></b>					
Balance as at 1 July 2019	82,046	(1,659)	-	73,828	154,215
Total comprehensive income	-	(497)	15,283	(83,281)	(68,495)
Balance as at 30 November 2020	<u>82,046</u>	<u>(2,156)</u>	<u>15,283</u>	<u>(9,453)</u>	<u>85,720</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 FINANCIAL PERIOD ENDED 30 NOVEMBER 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
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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

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. Subsequently, Conditional Movement Control Order ("CMCO") and Recovery Movement Control Order ("RMCO") were implemented in different regions of the country. Currently, MCO 2.0 was reinstated from 13th January 2020 throughout the country except for Sarawak.

#### 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 period 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 Period</b>	<b>Period-to-Date</b>
	<b>RM '000</b>	<b>RM '000</b>
Interest expense	125	4,889
Depreciation and amortization	1,745	19,355
Foreign exchange loss	429	295

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 current period 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>17 Months</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<b><u>Ended 30 November 2020</u></b>					
<b>Revenue</b>					
External sales	151,158	277,700	-	-	428,858

## 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>17 Months</b>					
<b><u>Ended 30 November 2020</u></b>					
<b>Results</b>					
Segment results	(65,504)	(17,526)	(835)	584	(83,281)
<b><u>As At 30 November 2020</u></b>					
<b>Assets</b>					
Segment assets	220,666	146,667	103,200	(132,366)	338,167

## 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 period, 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 period 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>30/11/2020</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)	298,386	269,423

## 15 Significant Related Party Transaction

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

## 16 Review of Performance

The Group had changed its financial year end from 30th June 2020 to 30th November 2020. As such, this reporting covers a total of seventeen (17) months with no comparative information presented in this report.

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

The Group's total revenue for the 17 months period ended 30th November 2020 was RM428.86 million. Of the total revenue, the Retail segment contributed RM151.16 million with the Manufacturing segment accounting for the balance of RM277.70 million.

Loss for the Group was RM82.93 million. The Retail segment's loss was RM65.44 million and Manufacturing was RM16.66 million.

The COVID-19 pandemic impacted the Group's performance adversely.

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

The final "quarter" reporting covers only a two (2) months period with no comparative information to be presented.

Total Group revenue for these 2 months amounted to RM26.75 million, with the Retail segment contributing RM4.71 million while Manufacturing contributed the balance RM22.04 million.

The Group continued to register a loss of RM13.63 million for the 2 months. The Retail segment's loss was RM13.63 million while Manufacturing recorded a loss of RM3.70 million.

The operating environment for the Retail segment continued to be difficult, uncertain and extremely challenging. Footfalls at shops continued to be impacted by the implementation of tighter SOPs consistent with the rise of COVID-19 cases throughout the country over these 2 months.

The performance of the Manufacturing segment was erratic as well. While sales improved over the 2 months period, operating margins were eroded as costs went up due to excessive overtime costs incurred. Additionally, the weaker US Dollar negatively impacted export performance.

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

The Group's outlook will continue to hinge largely on the recovery of the global and domestic economy from the severe effects of the pandemic. While the expectation is for the situation to worsen before it gets better, vaccination programmes launched by countries all over the world, including Malaysia, provide better prospects and optimism for recovery.

The Group's capital raising exercise by way of a Rights Issue, as announced on 29 January 2021, is pivotal and must be on track. It will deleverage the Group's bank borrowings, address liquidity issues and reinstate the Group onto a more stable footing. In addition, plans to expand the Group's entry into the healthcare segment must be accelerated and brought to fruition.

## **19 Profit Forecast or Guarantee**

Not applicable.



## 20 Taxation

The breakdown of taxation is as follows:-

	<b>Current Period</b>	<b>Period-to-Date</b>
	<b>RM '000</b>	<b>RM '000</b>
Estimated current tax payable	-	207
Deferred taxation	27	146
	<u>27</u>	<u>353</u>

## 21 Retained Earnings

	<b>As At</b>	<b>As At</b>
	<b>30/11/2020</b>	<b>30/06/2019</b>
	<b>RM '000</b>	<b>RM '000</b>
Realised	36,993	120,666
Unrealised	838	1,175
	<u>37,831</u>	<u>121,841</u>
Consolidation adjustments	(47,284)	(48,013)
Group retained earnings as per consolidated accounts	<u>(9,453)</u>	<u>73,828</u>

## 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 period comprise:-

Bank borrowings (unsecured)	<u>185,849</u>
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.

	<b>2 Months</b>	<b>17 Months</b>
	<b>Ended</b>	<b>Ended</b>
	<b>30/11/2020</b>	<b>30/11/2020</b>
Loss for the period attributable to equity holders of the Company (RM' 000)	(13,659)	(83,281)
Weighted average number of ordinary shares in issue (RM' 000)	82,046	82,046
Basic / Diluted loss per share (sen)	<u>(16.65)</u>	<u>(101.51)</u>