

JF Technology Berhad

(Company No. 747681-H)
(Incorporated in Malaysia)



Quarterly report on results for the 4th Quarter ended 30 June 2009 CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter ended 30 June 2009 RM'000	Preceding year corresponding quarter ended 30 June 2008 RM'000	Current year period ended 30 June 2009 RM'000	Preceding year corresponding period ended 30 June 2008 RM'000
Revenue	1,418	3,176	4,525	6,021
Direct costs	(573)	(710)	(2,075)	(1,437)
Gross profit	845	2,466	2,450	4,584
Other operating income	110	116	460	134
Negative goodwill	-	-	-	2,015
Other operating expenses	(1,097)	(1,551)	(3,393)	(2,076)
Finance cost	(65)	(79)	(278)	(155)
(Loss)/Profit before taxation	(207)	952	(761)	4,502
Tax expense	72	(24)	68	(75)
Net (loss)/profit after taxation	<u>(135)</u>	<u>928</u>	<u>(693)</u>	<u>4,427</u>
Basic (loss)/profit per share (sen)	<u>(0.11)</u>	<u>0.77</u>	<u>(0.55)</u>	<u>9.13</u>
Diluted earnings per share (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Notes:

This unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2008.

The accompanying notes are an integral part of this quarterly report.

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Quarterly report on results for the 4th Quarter ended 30 June 2009 CONDENSED CONSOLIDATED BALANCE SHEET

(The figures have not been audited)

	As at 30 June 2009 RM'000	As at 30 June 2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	17,359	4,543
Prepaid land lease payments	4,522	4,440
Development cost	1,157	860
	<u>23,038</u>	<u>9,843</u>
Current assets		
Inventories	965	884
Trade receivables	1,433	3,371
Other receivables, deposits and prepayments	562	826
Current tax assets	92	33
Deposits, cash and bank balances	8,120	17,462
	<u>11,172</u>	<u>22,576</u>
Non-current assets held for sale	830	-
TOTAL ASSETS	<u>35,040</u>	<u>32,419</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	12,600	12,600
Share premium	8,742	8,742
Retained profits	2,457	4,410
Total equity	<u>23,799</u>	<u>25,752</u>
Non-current liabilities		
Borrowings	6,488	4,241
Deferred taxation	83	232
	<u>6,571</u>	<u>4,473</u>
Current liabilities		
Trade payables	99	279
Other payables and accruals	3,217	1,043
Borrowings	1,260	866
Current tax liabilities	63	6
Total current liabilities	<u>4,639</u>	<u>2,194</u>
Liabilities attributable to non-current asset held for sale	31	-
Total liabilities	<u>11,241</u>	<u>6,667</u>
TOTAL EQUITY AND LIABILITIES	<u>35,040</u>	<u>32,419</u>
Net assets per share (sen)	<u>18.89</u>	<u>20.44</u>

Notes:

Net assets per share for the current quarter is arrived at based on the Group's net assets of RM23.80 million over the number of ordinary shares of 126,000,000 shares of RM0.10 each.

This unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2008.

The accompanying notes are an integral part of this quarterly report.

JF Technology Berhad

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Quarterly report on results for the 4th Quarter ended 30 June 2009 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	Share Capital RM'000	Non Distributable Share Premium RM'000	Distributable Retained Earnings RM'000	Total Equity RM'000
Balance as at 01 July 2007	#	-	(17)	(17)
Issue of ordinary shares	12,600	10,437	-	23,037
Share issue expenses	-	(1,695)	-	(1,695)
Profit after taxation for the financial year	-	-	4,427	4,427
Balance as at 30 June 2008	12,600	8,742	4,410	25,752
Balance as at 01 July 2008	12,600	8,742	4,410	25,752
Loss for the financial period	-	-	(693)	(693)
Dividend paid during the financial period	-	-	(1,260)	(1,260)
Balance as at 30 June 2009	12,600	8,742	2,457	23,799

Notes:

comprises RM0.20 representing two (2) ordinary shares of RM0.10 each in JF Technology Berhad

This unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2008.

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Quarterly report on results for the 4th Quarter ended 30 June 2009 CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	Quarter ended 30 June 2009 RM'000	Quarter ended 30 June 2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(761)	4,502
Adjustments for :		
Amortisation of development expenditure	41	5
Amortisation of prepaid land lease payments	46	22
Depreciation of property, plant and equipment	679	251
Gain on disposal of motor vehicle	(65)	-
Negative goodwill	-	(2,015)
Property, plant and equipment written off	243	-
Stock written off	125	-
Interest expense	278	155
Interest income	(360)	(127)
Operating profit before working capital changes	226	2,793
Changes in working capital:		
Decrease in inventories and receivables	1,859	39
Increase in payables	2,004	531
Cash generated from operating activities	4,089	3,363
Income tax paid	(53)	(24)
Net cash generated from operating activities	4,036	3,339
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	360	127
Purchase of property, plant and equipment	(14,209)	(397)
Payment of capitalised development expenditure	(338)	(184)
Proceed from disposal of motor vehicle	65	-
Acquisition of subsidiaries net cash acquired	-	2,915
Net cash (used in)/generated from investing activities	(14,122)	2,461
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceed from issuance of share (net off listing expenses of RM1.695 million)	-	12,222
Dividend paid	(1,260)	-
Drawdown of bank borrowings	3,653	-
Repayment of hire-purchase payables	(590)	(260)
Repayment of term loans	(781)	(145)
Interest paid	(278)	(155)
Net cash generated from financing activities	744	11,662
Net (decrease)/increase in cash and cash equivalents	(9,342)	17,462
Cash and cash equivalents at beginning of period	17,462	*
Cash and cash equivalents at end of period	8,120	17,462
Cash and cash equivalents consist of:		
Money market unit trust fund	7,679	15,537
Cash and bank balances	441	1,925
	8,120	17,462

Notes:

* Cash at the beginning of the period is RM2.00

This unaudited Condensed Consolidated Cashflow Statement should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2008.

The accompanying notes are an integral part of this quarterly report.

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Quarterly report on results for the 4th Quarter ended 30 June 2009

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation of Interim Financial Report

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") No. 134: Interim Financial Reporting, and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2008.

The accounting policies and methods of computation adopted by JF Tech and its subsidiaries in the preparation of this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 30 June 2008.

A2 Auditors' report on preceding annual financial statements

The preceding year annual audited financial statements were not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal or cyclical factors.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter.

A5 Material changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter.

A6 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current quarter under review.

A7 Dividend declared or paid

There were no dividends paid during the current quarter under review.

A8 Segmental information

The Group is primarily engaged in only one business segment which is the design, development, manufacture and sales of test probes and test sockets for use in the semiconductor industry. The Group's operations are currently conducted predominantly in Malaysia.

A9 Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current quarter.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements.

A11 Changes in the composition of the Group

There were no material changes in the composition of the Group for the current quarter.

A12 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

A13 Capital commitments

As at 30 June 2009, the Group has no material capital commitments in respect of property, plant and equipment save for the following:-

RM'000

Approved and contracted for

742

A14 Significant related party transactions

During the current quarter, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

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Quarterly report on results for the 4th Quarter ended 30 June 2009

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B1 Review of performance

For the current quarter ended 30 June 2009, JFT Group recorded revenue of RM1.42 million compared with the preceding year corresponding quarter revenue of RM3.18 million. The decrease in sales was due to slow down in the demand of G2 Kelvin test probes resultant from global market downturn.

The Group incurred a loss before taxation (LBT) of RM0.21 million for the current quarter under review as compared to the profit before taxation of RM0.95 million in the preceding year corresponding quarter. The loss was mainly due to decrease in sales margins as a result of discount given for bulk purchase and write off of obsolete stocks.

For the financial year ended 30 June 2009, the Group recorded a revenue of RM4.53 million and LBT of RM0.76 million as compared to preceding year with revenue of RM6.02 million and profit before tax (PBT) of RM4.50 million. The decrease was mainly due to slow down in the demand of G2 Kelvin test probes as a result of the global market downturn and increase in the operating costs for new staff employed and relocation expenses to new factory.

B2 Variation of results against immediate preceding quarter

	Current quarter ended 30 June 2009 RM'000	Preceding quarter ended 31 Mar 2009 RM'000
Revenue	1,418	265
Loss Before Tax	(207)	(1,056)

For the current quarter ended 30 June 2009, JFT Group recorded revenue and LBT of RM1.42 million and RM0.21 million respectively. The Group recorded increase in revenue from RM0.27 million to RM1.42 million representing an increase of 435% and as a result the Group's LBT has decreased to RM0.21 million from RM1.06 million as compared to the preceding quarter under review. The main reason for the better performance in the current quarter was due to higher demand of the G2 Kelvin test probes.

B3 Prospects for the financial year ending 30 June 2010

The Board of Directors is of the view that the financial year ending 30 June 2010 will continue to be challenging. As the major markets where the Company's products are sold to are showing signs of recovery, the Board is optimistic that the performance for the financial year ending 30 June 2010 would be satisfactory compared to the financial year ended 30 June 2009.

B4 Profit forecast, profit guarantee and internal targets

The Group did not provide any profit forecast, profit guarantee or internal targets in any publicly available documents or announcements.

B5 Income tax expense

	Current quarter ended 30 June 2009 RM'000	Cumulative quarter ended 30 June 2009 RM'000
Current tax expenses	(72)	(68)

The effective tax rate of the Group remained low due to the 100% tax exemption granted to a subsidiary company, JF Microtechnology Sdn Bhd, under its pioneer status for high technology company for a period of 5 years commencing 1 April 2006.

B6 Unquoted investments and properties

There were no changes in the unquoted investments and properties of the Group for the current quarter under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter under review.

B8 Group's borrowings and debt securities

The Group's borrowings as at 30 June 2009 all of which are secured are as follows;

	Secured RM'000
Short term borrowings: -	
Hire Purchases	523
Term loans	737
	<u>1,260</u>
Long term borrowings: -	
Hire Purchases	568
Term loans	5,920
	<u>6,488</u>
Total	<u>7,748</u>

The Group does not have any foreign currency borrowings.

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B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B9 Off balance sheet financial instruments

As at reporting date, the Group does not have any off balance sheet financial instruments.

B10 Material litigation

As at reporting date, neither the Company nor its subsidiary companies is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

B11 Dividends

No dividend has been proposed for the financial period under review.

B12 Earnings per share

	Individual quarter ended		Cumulative quarter ended	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
(Loss)/profit after taxation (RM'000)	(135)	928	(693)	4,427
Weighted average number of shares in issue ('000)	126,000	120,265	126,000	48,475
Basic (loss)/earnings per share (sen)	(0.11)	0.77	(0.55)	9.13

Diluted earnings per share is not computed as the Company does not have any convertible financial instruments as at 30 June 2009.

B13 Utilisation of IPO Proceeds

The Board of Directors had approved and it was announced on 2 April 2009 for the extension of time for the utilisation of proceed until 15 April 2010. The status of the revised utilisation of proceeds is as follows:-

Purpose	Proposed utilisation RM'000	Utilisation to date RM'000	Balance to be utilised RM'000	%	Timeframe for utilisation	Explanation
Part finance the acquisition of land and/or construction of factory	3,528	3,528	-	-	-	Fully utilised
Purchase of research & development equipment	2,055	124	1,931	94	By 15 April 2010	-
Purchase of manufacturing equipment	2,650	1,421	1,229	46	By 15 April 2010	-
Working capital*	4,234	3,993	241	6	-	Fully utilised
Listing expenses*	1,450	1,691	(241)	(17)	-	Fully utilised
	13,917	10,757	3,160			

Note:

* The proceeds to be used for working capital will be adjusted accordingly in the event of any variation in the actual listing expenses from the estimated amount.

B14 Status of corporate proposals

There were no corporate proposals announced but not yet completed as at the date of this announcement.

B15 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 25 August 2009.

On Behalf of the Board

Foong Wei Kuong
Managing Director

Date: 27 August 2009