

# **JF Technology Berhad**

(Registration No. 200601027925 (747681-H))  
(Incorporated in Malaysia)



## **INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED 31 DECEMBER 2021**

# JF Technology Berhad

(Registration No. 200601027925 (747681-H))

(Incorporated in Malaysia)



## Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income For 2nd financial quarter ended 31 December 2021

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year 2nd Quarter 1/10/2021 to 31/12/2021	Preceding Year Corresponding Quarter	Current Year To-date 1/7/2021 to 31/12/2021	Preceding Year Corresponding Period
	RM'000	RM'000	RM'000	RM'000
Revenue	11,706	9,364	23,021	18,505
Cost of sales	(3,139)	(2,149)	(5,586)	(4,167)
Gross profit	8,567	7,215	17,435	14,338
Other operating income	71	156	1,174	296
Operating expenses	(6,312)	(3,643)	(10,281)	(6,953)
Profit from operations	2,326	3,728	8,328	7,681
Finance cost	(61)	(26)	(125)	(52)
Interest Income	333	361	396	481
<b>Profit before taxation</b>	<b>2,598</b>	<b>4,063</b>	<b>8,599</b>	<b>8,110</b>
Tax Expense	2,430	(50)	1,011	(90)
<b>Profit for the financial period</b>	<b>5,028</b>	<b>4,013</b>	<b>9,610</b>	<b>8,020</b>
<b>Other comprehensive income</b>				
Profit for the financial period	5,028	4,013	9,610	8,020
Foreign currency translation differences	(74)	(56)	(130)	(56)
Total comprehensive profit for the period	<b>4,954</b>	<b>3,957</b>	<b>9,480</b>	<b>7,964</b>
<b>Profit attributable to:</b>				
Owners of the company	5,523	4,013	10,561	8,020
Non-controlling interests	(495)	-	(951)	-
Profit for the financial period	<b>5,028</b>	<b>4,013</b>	<b>9,610</b>	<b>8,020</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	5,523	4,013	10,561	8,020
Non-controlling interests	(495)	-	(951)	-
	<b>5,028</b>	<b>4,013</b>	<b>9,610</b>	<b>8,020</b>
<b>Earnings Per Share (EPS)</b>				
- Basic (Sen)	0.60	0.43	1.14	0.87
- Diluted (Sen)	0.55	0.39	1.03	0.78

### Notes:

This Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Annual Financial Statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial statements.

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## Unaudited Condensed Consolidated Statement of Financial Position As at 31 December 2021

	(Unaudited) As at 31/12/2021 RM'000	(Audited) As at 30/6/2021 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	25,799	19,381
Rights to use assets	8,447	9,194
	<b>34,246</b>	<b>28,575</b>
<b>Current assets</b>		
Inventories	4,399	3,771
Trade receivables	8,867	7,204
Other receivables, deposits and prepayments	1,323	3,403
Current tax assets	813	321
Short Term investment	724	-
Fixed deposit with a licensed bank	234	482
Cash and cash equivalents	95,498	88,184
	<b>111,858</b>	<b>103,365</b>
<b>TOTAL ASSETS</b>	<b>146,104</b>	<b>131,940</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the company</b>		
Share capital	94,065	90,560
Capital Reserves	2,481	2,481
Currency Translation Reserves	(85)	(24)
Retained Earnings	30,364	24,423
<b>Equity attributable to owners of the Company</b>	<b>126,825</b>	<b>117,440</b>
Non-controlling interest	2,055	3,075
<b>Total equity</b>	<b>128,880</b>	<b>120,515</b>
<b>Non-current liabilities</b>		
Term Loan	1,753	1,721
Lease liabilities	2,633	3,236
Deferred Income	1,131	1,232
Deferred tax liabilities	832	832
	<b>6,349</b>	<b>7,021</b>
<b>Current liabilities</b>		
Trade payables	761	154
Other payables and accruals	8,643	1,634
Term loan	70	175
Lease liabilities	1,142	1,356
Current tax liabilities	259	1,085
<b>Total current liabilities</b>	<b>10,875</b>	<b>4,404</b>
<b>Total liabilities</b>	<b>17,224</b>	<b>11,425</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>146,104</b>	<b>131,940</b>
	-	-
<b>Net assets per share (RM)</b>	<b>0.1390</b>	<b>0.1304</b>

### Notes:

This Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Statement for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For 2nd financial quarter ended 31 December 2021

	<-----Non-Distributable----->			Distributable		Non-Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Capital Reserve RM'000	Currency Translation Reserve RM'000	Retained Earnings RM'000	Total Equity attributable to owners of the Company RM'000		
<b>6 months ended 31 December 2020 (unaudited)</b>							
Balance as at 01 July 2020	21,253		-	17,014	38,267		38,267
Issuance of shares under private placement	69,982				69,982		69,982
Share issuance expenses from private placement	(560)				(560)		(560)
Profit after taxation for the financial period				8,020	8,020		8,020
Foreign currency translation differences			(56)		(56)		(56)
Dividend paid during the financial period				(3,386)	(3,386)		(3,386)
<b>Balance as at 31 December 2020</b>	<b>90,675</b>		<b>(56)</b>	<b>21,648</b>	<b>112,267</b>		<b>112,267</b>
<b>6 months ended 31 December 2021 (unaudited)</b>							
Balance as at 01 July 2021	90,560	2,481	(24)	24,423	117,440	3,075	120,515
Profit after taxation for the financial period				10,561	10,561	(951)	9,610
<b>Other comprehensive income</b>							
Foreign currency translation differences			(61)		(61)	(69)	(130)
<b>Total Comprehensive income for the period</b>	<b>-</b>		<b>(61)</b>	<b>10,561</b>	<b>10,500</b>	<b>(1,020)</b>	<b>9,480</b>
<b>Contributions by and distributions to owners of the Company :</b>							
Issuance of ordinary shares pursuant to conversion of warrants	3,505				3,505		3,505
Dividend paid during the financial period				(4,620)	(4,620)		(4,620)
Total transactions with owners of the Company	3,505	-	-	(4,620)	(1,115)	-	(1,115)
<b>Balance as at 31 December 2021</b>	<b>94,065</b>	<b>2,481</b>	<b>(85)</b>	<b>30,364</b>	<b>126,825</b>	<b>2,055</b>	<b>128,880</b>

### Notes :

This Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial statements.

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## Unaudited Condensed Consolidated Statement of Cash Flows For 2nd financial quarter ended 31 December 2021

	(Unaudited) As at 31/12/2021 RM'000	(Audited) As at 30/6/2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	8,599	16,125
Adjustments for :		
Depreciation of property, plant and equipment	1,053	1,275
Depreciation of right-of-use assets	558	795
Fair value gain from short-term funds	-	(27)
Unrealised gain from short term investments	(275)	-
Interest expense	125	211
Amortisation of deferred income	(101)	(202)
Gain on disposal of property, plant and equipment	-	(44)
Property, plant and equipment written off	-	1
Right-of-use assets written off	-	2
Interest income from short-term funds	(396)	(673)
Unrealised gain on foreign exchange	-	(144)
Unrealised loss on foreign exchange	125	111
Operating profit before working capital changes	9,688	17,430
Changes in working capital:		
Decrease/(Increase) in inventories	(628)	(619)
Decrease/(Increase) in receivables	416	(4,049)
(Decrease) / Increase in payables	7,616	(294)
Cash generated from/(used in) operating activities	17,092	12,468
Income tax refund/(paid)	(307)	(460)
Net cash generated from/ (used in) operating activities	<b>16,785</b>	<b>12,008</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	396	673
Increase in pledged deposit with a licensed bank	-	(253)
Investment in quoted securities	(449)	-
Purchase of property, plant and equipment	(7,288)	(5,976)
Proceeds from disposal of property, plant and equipment	-	59
Net cash from/ (used in) investing activities	<b>(7,341)</b>	<b>(5,497)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares to non-controlling interest by a subsidiary	-	1,696
Contribution from non-controlling interest in a subsidiary	-	4,511
Interest paid	(125)	(211)
Lease rental of a subsidiary	(208)	-
Repayment of lease liabilities	(609)	(1,026)
Repayment of term loan	(73)	(306)
Drawdown of term loan	-	2,000
Proceeds from issuance of shares pursuant to Private Placement	-	69,983
Proceeds from issuance of shares pursuant to conversion of warrants	3,505	43
Share issuance expenses	-	(719)
Dividends paid	(4,620)	(8,006)
Net cash (used in)/ from financing activities	<b>(2,130)</b>	<b>67,965</b>
Net (decrease)/ increase in cash and cash equivalents	7,314	74,476
Cash and cash equivalents at beginning of period	88,666	13,768
Effects of exchange rate changes	(248)	(60)
Cash and cash equivalents at end of period	<b>95,732</b>	<b>88,184</b>
<b>Cash and cash equivalents consist of:</b>		
Short Term Funds	-	75,239
Cash and bank balances	95,498	12,463
Fixed deposits pledged to licensed banks	234	482
	<b>95,732</b>	<b>88,184</b>

### Notes :

This Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Annual Financial Statement for the year ended 30 June 2021 and the explanatory notes attached to the interim financial statements.

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## NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021.

### PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134") : INTERIM FINANCIAL REPORTING.

#### A1 Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with MFRS 134 : Interim Financial Reporting issued by Malaysian Accounting Standards Board ("MASB") and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2021.

#### A2 Summary of Significant Accounting Policies

The significant accounting policies and methods of computation adopted are consistent with those of the audited financial statements for the year ended 30 June 2021, except for the adoption of the following new MFRSs, Amendments to MFRSs and Interpretations which are effective for annual periods beginning on or after 1 January 2022 :

	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3 : Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16 : COVID-19 Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 : Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116 : Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 : Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

#### A3 Auditors' report on preceding annual financial statements

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

#### A4 Seasonal or cyclical factors

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

#### A5 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 to date and current financial year-to-date.

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## NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021.

### A6 Material changes in estimates

There were no changes in estimates of amounts reported that have a material effect in the current quarter under review and current financial year-to-date.

### A7 Debt and equity securities

Save as disclosed in the following, there were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellations, shares held as treasury share and resale of treasury shares during the current quarter under review and current financial year-to-date.

During the financial period ended 31 December 2021, the Company issued new ordinary shares pursuant to the conversion of warrants as below:

	Current quarter ended 31/12/21		Current year to date ended 31/12/21	
	No. of shares	RM	No. of shares	RM
Conversion of warrants	3,022,600	3,506,216	3,022,600	3,506,216

### A8 Dividend Paid

Dividends paid during the financial period ended 31 December 2021 were as follows:

A final dividend of 0.50 sen per ordinary share amounted to RM4,620,178 in respect of financial year ended 30 June 2021 was paid by the Company on 27 September 2021.

### A9 Segmental information

Segment analysis has not been prepared as the Group's business is focused only in manufacturing and trading of electronic products, components and test probes, including production, packaging, marketing and distribution of its products principally in Malaysia, and this forms the focus of the Group's internal reporting system.

The chief operating decision maker reviews the business performance of the Group as a whole and management monitors the operating results of its business for the purpose of making decisions on resources allocation and performance assessment.

#### Geographical information

For the purpose of disclosing geographical information, revenue is based on the geographical location of the customers from which the sales transactions originated.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments.

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## NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021.

### Revenue by countries

	Current year quarter 1/10/2021 to 31/12/2021	Current year to date 1/7/2021 to 31/12/2021	Current year to date 1/7/2021 to 31/12/2021
	RM'000	RM'000	%
Malaysia	4,254	8,859	38%
China	3,494	7,120	31%
United States	1,549	2,085	9%
Philippines	745	1,604	7%
Thailand	310	817	4%
Taiwan	122	318	1%
Others	1,232	2,218	10%
Total	11,706	23,021	100%

### A10 Valuation of property, plant and equipment

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

### A11 Material events subsequent to the end of the quarter

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

### A12 Changes in the composition of the Group

There are no material changes in the composition of the Group for the current quarter under review.

### A13 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.

### A14 Capital commitments

Property, plant and equipment	<b>RM'000</b>
Authorised and contracted for	24,014
Authorised and not contracted for	nil

### A15 Significant related party transactions

The Group has no related party transactions which would have a significant impact on the financial position and business of the Group during the current financial quarter under review and current financial year-to-date.



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

### B1 Review of performance

	INDIVIDUAL PERIOD		Changes YoY  %	CUMULATIVE PERIOD		Changes YoY  %
	Current Year 2nd Quarter  1/10/2021 to 31/12/2021	Preceding Year Corresponding Quarter 1/10/2020 to 31/12/2020		Current Year To-date  1/7/2021 to 31/12/2021	Preceding Year Corresponding Period 1/7/2020 to 31/12/2020	
	RM'000	RM'000		RM'000	RM'000	
Revenue	11,706	9,364	25%	23,021	18,505	24%
Operating Profit	2,326	3,728	-38%	8,328	7,681	8%
Profit before tax ("PBT")	2,598	4,063	-36%	8,599	8,110	6%
Profit after tax ("PAT")	5,028	4,013	25%	9,610	8,020	20%
Profit attributable to ordinary equity holders of the parent ("net profit")	5,523	4,013	38%	10,561	8,020	32%

#### 2QFY2022 YoY

For the current quarter ended 31 December 2021 ("2QFY2022"), the Group has recorded yet another highest-ever quarterly revenue of RM11.71 million. This represented a jump of 25% year-on-year ("YoY") from RM9.36 million in the previous year corresponding quarter. The healthy double-digit improvement was mainly attributed to continued robust demand from customers for high performance test contactors, encouraging sales from the fairly new test engineering solutions business, JF TestSense, as well as maiden contribution from the Group's new manufacturing facility in Kunshan, China. Revenue from Malaysia and China rose 51% and 25% YoY to RM4.25 million and RM3.49 million respectively for the quarter under review. The Group's gross profit margin remained high at 73% in 2QFY2022.

Notwithstanding the higher revenue, 2QFY2022 PBT stood at RM2.60 million versus RM4.06 million a year ago. The decline was largely due to higher operating expenses in relation to the new manufacturing facility in Kunshan, China and JF TestSense as well as one-off expenses for the Proposed Transfer of listing to the Main Market of Bursa Securities. The plant in China has only commenced operations in 4th quarter of 2021 and hence, it was still in the gestation period with utilization rate picking up gradually. Meanwhile, headcount for JF TestSense increased in preparation for more sales activities and incoming new jobs.

The Group's net profit for the quarter under review soared 38% YoY to an all-time high of RM5.52 million from RM4.01 million in the previous year corresponding quarter. The record quarterly net profit primarily stemmed from reversal of prior tax provision.

#### 1HFY2022 YoY

For the current financial year ended 31 December 2021, the Group reached a new high for the first half performance. 1HFY2022 revenue was up 24% YoY to RM23.02 million as compared to RM18.51 million in the previous year corresponding period. This was also the first time JF Tech's first half turnover surpassed the RM23 million-mark. In tandem with the robust top-line performance, the Group also recorded the highest-ever first half net profit, breaching the RM10 million-mark. For the period under review, our net profit surged 32% YoY to RM10.56 million versus RM8.02 million in 1HFY2021. The double-digit top and bottom-line growth was mainly due to the aforementioned factors.

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

### B2 Financial review for current quarter compared with immediate Preceding Quarter

	Current Year 2nd Quarter 1/10/2021 to 31/12/2021	Immediate Preceding Quarter 1/7/2021 to 30/9/2021	Changes QoQ
	RM'000	RM'000	%
Revenue	11,706	11,315	3%
Operating Profit	2,326	6,001	-61%
Profit before tax ("PBT")	2,598	6,000	-57%
Profit after tax ("PAT")	5,028	4,580	10%
Profit attributable to ordinary equity holders of the parent ("net profit")	5,523	5,036	10%

On a quarter-on-quarter ("QoQ") basis, the Group's revenue increased 3% QoQ to RM11.71 million from RM11.32 million in the immediate preceding quarter on the back of sustained demand. It is noteworthy to highlight that this is the 8th successive quarter of revenue growth since the second quarter of financial year 2020. Meanwhile, PBT declined 57% QoQ to RM2.60 million in 2QFY2022, which was chiefly attributed to the aforementioned factors. On the other hand, net profit increased 10% QoQ to RM5.52 million from RM5.04 million in 1QFY2022 as a result of the reversal of tax provision.

### B3 Prospects for financial year ended 30 June 2022.

Moving forward, the Board remain upbeat on the prospects of the Group underpinned by the growth drivers in place coupled with the continued upward trajectory of the global semiconductor industry while cognizant of the challenging landscape stemming from the Covid-19 pandemic.

JF Tech's three additional growth drivers for FY2022 continue to make good headway. The Group's manufacturing facility in Kunshan, China has commenced production since 4th quarter of 2021 with utilization and contribution expected to pick up further in the coming quarters. To recap, the Group partners with Hubble Technology Investment Co., Ltd ("HTI") to design, develop, manufacture and supply high performance test contactors in China. It is envisaged that the facility in China will greatly enhance the Group's footprint and network in China.

Meanwhile, our test interface business, JF TestSense, is also making encouraging progress. The team, which has since grown in headcount, is actively prospecting new customers and potential partners to scale the business. Lastly, our partnership with ISC Co., Ltd., one of the world's top test solution providers, is bearing fruit and remains in active sales prospecting mode.

On the corporate front, the Group's Proposed Transfer of listing to the Main Market of Bursa Securities, the exercise remains ongoing. In the meantime, the construction of our new facility in Kota Damansara is well underway. This will be our Malaysia test contacting Center of Excellence, adding another 50,000 square feet ("sf.") of built-up area, bringing the total to 96,000 sf. The doubling of our capacity allows us to seize the strong demand from the semiconductor industry, which has been growing swiftly at a very exciting pace. This upward trend is expected to persist in the foreseeable future on the back of the game-changing 5G deployment and the accelerating electric vehicle ("EV") adoption worldwide

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

More excitingly, with the twin Centers of Excellence in Malaysia and China respectively, we would enhance the Group's human capital development and continuously develop Malaysian talents while growing the talent pipeline for the future. In turn, this would ensure continual generation of intellectual properties ("IPs") and research and development ("R&D") for game-changing technologies such as 5G and 6G.

On balance, with prudent management and careful execution, the Board is positive on the outlook of JF Tech and is confident of overcoming any obstacles ahead. The Board expects the financial performance of the Group for FY2022 will be satisfactory barring any unforeseen circumstances.

### B4 Profit forecast, profit guarantee and internal targets

The Group does not provide any profit forecast, profit guarantee or internal targets in any publicly available document or announcement.

### B5 Notes to the statement of comprehensive income

PBT is arrived at after charging/ (crediting) :

	Current Year 2nd Quarter 1/10/2021 to 31/12/2021 RM'000	Preceding Year Corresponding Quarter 1/10/2020 to 31/12/2020 RM'000	Current Year To-date 1/7/2021 to 31/12/2021 RM'000	Preceding Year Corresponding Period 1/7/2020 to 31/12/2020 RM'000
Other Income - Amortisation of government grant	(49)	(50)	(101)	(101)
Depreciation of property, plant and equipment	912	403	1,611	801
Interest expense	61	26	125	52
Interest income from short term funds	(333)	(361)	(396)	(481)
Unrealised gain from short term investments	(275)	-	(275)	-
Net (gain)/loss on realised and unrealised foreign exchange	(4)	87	(125)	216

### B6 Taxation

	Current Year 2nd Quarter 1/10/2021 to 31/12/2021 RM'000	Current Year To-date 1/7/2021 to 31/12/2021 RM'000
Current tax	2,430	1,011
Deferred tax	-	-
In respect of prior years	-	-
Total	2,430	1,011

Current tax is provided for profitable subsidiary as there is no claiming of tax group relief over the loss making companies within the Group.

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

B7 The Group's borrowings which are all secured as at 31 December 2021 is as follows :

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowing	1,212	-	1,212
Long term borrowing	4,386	-	4,386
<b>Total</b>	<b>5,598</b>	<b>-</b>	<b>5,598</b>

The Group does not have any foreign currency borrowings.

## B8 Dividend Payable

In view of the Group's financial performance, the Board declared and approved single-tier interim dividend as follows :

Dividend per share	0.5 sen
Total dividend payable	RM4,619,991.70
Ex-date of entitlement	15-Mar-22
Entitlement to dividends based on record of Depositors as at	16-Mar-22
Date Payable (paid as of reporting date)	30-Mar-22

The financial statements for the current financial period do not reflect this proposed dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the month it was approved by the Board of Directors.

## B9 Material litigation since the date of the last annual statement of financial which must be made up to a date not earlier than 7 days from the date of issue of the quarterly report.

The Group is not engaged in any material litigation, either as a plaintiff or defendant, claims or arbitration which have a material effect on the financial position of the Group.

## B10 Earnings per share ("EPS")

### a) Basic EPS

	Current year 2nd Quarter 1/10/2021 to 31/12/2021	Preceding Year Corresponding Quarter 1/10/2020 to 31/12/2020	Current Year To-date 1/7/2021 to 31/12/2021	Preceding Year Corresponding Period 1/7/2020 to 31/12/2020
Profit attributable to owners of the Company (RM'000)	5,523	4,013	10,561	8,020
Weighted average number of ordinary shares for basic earnings per share ('000)	925,350	925,350	924,676	924,676
Basic Earnings Per Share based on weighted average number of ordinary shares (sen)	0.60	0.43	1.14	0.87

# JF TECHNOLOGY BERHAD

(Registration No. 200601027925 (747681-H))

(Incorporated in Malaysia)



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

### b) Diluted EPS

	Current year 2nd Quarter 1/10/2021 to 31/12/2021	Preceding Year Corresponding Quarter 1/10/2020 to 31/12/2020	Current Year To-date 1/7/2021 to 31/12/2021	Preceding Year Corresponding Period 1/7/2020 to 31/12/2020
Profit attributable to owners of the Company (RM'000)	5,523	4,013	10,561	8,020
Weighted average number of ordinary shares for basic earnings per share ('000)	925,350	925,350	924,676	924,676
Effective of dilution from conversion of warrants ('000)	98,234	98,234	98,234	98,234
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,012,977	1,023,584	1,022,910	1,022,910
Diluted Earnings Per Share (sen)	0.55	0.39	1.03	0.78

#### Notes :

1. Basic earnings per share is computed by dividing profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial period and financial year under review.
2. Diluted earnings per share is computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue during the financial period and assume full conversion of warrants into ordinary shares.
3. Weighted average number of ordinary shares has been restated to reflect the increased number of shares arising from the bonus issue and conversion of warrants to ordinary shares for comparison purposes. Hence, the calculation of basic and diluted EPS is adjusted accordingly for comparison purposes.

### B11 Status of Corporate Proposals Announced.

Save as disclosed below, there were no other corporate proposals announced but not completed at the latest practicable date which is not earlier than seven (7) days from the date of issue of this interim financial report :-

#### **ANNOUNCEMENT TO BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") ON 8th NOVEMBER 2021 IN RELATION TO THE PROPOSED TRANSFER OF THE LISTING AND QUOTATION OF THE COMPANY'S ENTIRE ISSUED SHARE CAPITAL AND ITS OUTSTANDING WARRANTS FROM THE ACE MARKET TO THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD**

On 8th November 2021, Maybank Investment Bank Berhad ("Maybank IB") had, on behalf of our Board of Directors of the company announced that the Company proposes to undertake the following:

- (i) proposed transfer of the listing and quotation of the entire issued share capital and the outstanding warrants of JF Tech from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Proposed Transfer"); and
- (i) proposed amendments to the Constitution of JF Tech to facilitate the implementation of the Proposed Transfer ("Proposed Amendments").

# JF TECHNOLOGY BERHAD

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

The Proposed Transfer had been submitted to Securities Commission ("SC") on 29 November 2021.

The application to Bursa Securities in relation to the Proposed Transfer is expected to be made within one (1) month from the date of the SC's approval for the Proposed Transfer.

Barring unforeseen circumstances, the Proposals are expected to be completed in the first half of 2022.

### B12 Utilisation of Proceeds from Private Placement Issue

As at the date of this report, the status of the utilisation of the proceeds is as follows :

	Details of utilisation	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Unutilised proceeds (RM'000)	Intended Timeframe for utilisation
1	Factory capacity expansion	23,000	1,746	21,254	Within 36 months
2	R&D laboratory expansion	4,000	644	3,356	Within 24 months
3	Setting up of new test interface and services business unit	12,000	6,186	5,814	Within 24 months
4	Purchase of input materials and manufacturing consumables	5,000	4,292	708	Within 60 months
5	Future working capital/investment	25,632	2,277	23,355	Within 60 months
6	Estimated expenses in relation to the Proposed Private Placement	350	350	0	Within 36 months
		<b>69,982</b>	<b>15,495</b>	<b>54,487</b>	

### B13 Authorisation for issue

The interim financial report has been authorised for issue by the Board of Directors ("Board") in accordance with a resolution of the Board on 24 February 2022

On Behalf of the Board

**Dato' Foong Wei Kuong**  
Managing Director

24 February 2022