

JF Technology Berhad

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



INTERIM FINANCIAL REPORT FOR THIRD QUARTER ENDED 31 MARCH 2022

JF Technology Berhad

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



Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income For 3rd financial quarter ended 31 March 2022

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year 3rd Quarter 1/1/2022 to 31/3/2022	Preceding Year Corresponding Quarter	Current Year To-date 1/7/2021 to 31/3/2022	Preceding Year Corresponding Period
	RM'000	RM'000	RM'000	RM'000
Revenue	10,312	9,618	33,333	28,123
Cost of sales	(2,973)	(2,109)	(8,558)	(6,276)
Gross profit	7,339	7,509	24,775	21,847
Other operating income	139	333	1,313	629
Operating expenses	(4,989)	(4,315)	(15,270)	(11,268)
Profit from operations	2,489	3,527	10,818	11,208
Finance cost	(50)	(60)	(175)	(111)
Interest Income	370	129	765	609
Profit before taxation	2,809	3,596	11,408	11,706
Tax Expense	-	(19)	1,011	(108)
Profit for the financial period	2,809	3,577	12,419	11,598
Other comprehensive income				
Profit for the financial period	2,809	3,577	12,419	11,598
Foreign currency translation differences	(66)	(170)	(43)	(170)
Total comprehensive profit for the period	2,743	3,407	12,376	11,428
Profit attributable to:				
Owners of the company	3,172	3,657	13,733	11,678
Non-controlling interests	(363)	(80)	(1,314)	(80)
Profit for the financial period	2,809	3,577	12,419	11,598
Total comprehensive income attributable to:				
Owners of the Company	3,106	3,487	13,690	11,508
Non-controlling interests	(363)	(80)	(1,314)	(80)
	2,743	3,407	12,376	11,428
Earnings Per Share (EPS)				
- Basic (Sen)	0.34	0.39	1.48	1.26
- Diluted (Sen)	0.33	0.38	1.40	1.19

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.

Unaudited Condensed Consolidated Statement of Financial Position
As at 31 March 2022

	(Unaudited) As at 31/3/2022 RM'000	(Audited) As at 30/6/2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	27,247	19,381
Rights to use assets	8,186	9,194
	35,433	28,575
Current assets		
Inventories	5,067	3,771
Trade receivables	7,982	7,204
Other receivables, deposits and prepayments	2,278	3,403
Current tax assets	2,138	321
Short Term investment	632	-
Fixed deposit with a licensed bank	235	482
Cash and cash equivalents	87,937	88,184
	106,269	103,365
TOTAL ASSETS	141,702	131,940
EQUITY AND LIABILITIES		
Equity attributable to owners of the company		
Share capital	94,065	90,560
Capital Reserves	2,481	2,481
Currency Translation Reserves	(36)	(24)
Retained Earnings	28,900	24,423
Equity attributable to owners of the Company	125,410	117,440
Non-controlling interest	1,731	3,075
Total equity	127,141	120,515
Non-current liabilities		
Term Loan	1,542	1,721
Lease liabilities	2,371	3,236
Deferred Income	1,080	1,232
Deferred tax liabilities	832	832
	5,825	7,021
Current liabilities		
Trade payables	976	154
Other payables and accruals	6,422	1,634
Term loan	237	175
Lease liabilities	1,101	1,356
Current tax liabilities	-	1,085
Total current liabilities	8,736	4,404
Total liabilities	14,561	11,425
TOTAL EQUITY AND LIABILITIES	141,702	131,940
	-	-
Net assets per share (RM)	0.1371	0.1304

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 3rd financial quarter ended 31 March 2022

	<-----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		
9 months ended 31 March 2021 (unaudited)							
Balance as at 01 July 2020	21,253		-	17,014	38,267		38,267
Profit after taxation for the financial period				11,678	11,678	(80)	11,598
Other comprehensive income			(170)		(170)		(170)
Foreign currency translation differences					-		
Total Comprehensive income for the period	-	-	(170)	11,678	11,508	(80)	11,428
Issuance of ordinary shares pursuant to Private Placement	69,982				69,982		69,982
Issuance of ordinary shares pursuant to conversion of warrants	39				39		39
Share issuance expenses.	(720)				(720)		(720)
Investment in a subsidiary company by non-controlling interest					-	1,696	1,696
Contribution in a subsidiary company by non-controlling interest		2,481			2,481	2,030	4,511
Dividend paid during the financial period				(8,006)	(8,006)		(8,006)
Total transactions with owners of the Company	69,301	2,481	-	(8,006)	63,776	3,726	67,502
Balance as at 31 March 2021	90,554	2,481	(170)	20,686	113,551	3,646	117,197
9 months ended 31 March 2022 (unaudited)							
Balance as at 01 July 2021	90,560	2,481	(24)	24,422	117,439	3,076	120,515
Profit after taxation for the financial period				13,733	13,733	(1,314)	12,419
Other comprehensive income							
Foreign currency translation differences			(12)		(12)	(31)	(43)
Total Comprehensive income for the period	-		(12)	13,733	13,721	(1,345)	12,376
Contributions by and distributions to owners of the Company :							
Issuance of ordinary shares pursuant to conversion of warrants	3,505				3,505		3,505
Dividend paid during the financial period				(9,255)	(9,255)		(9,255)
Total transactions with owners of the Company	3,505	-	-	(9,255)	(5,750)	-	(5,750)
Balance as at 31 March 2022	94,065	2,481	(36)	28,900	125,410	1,731	127,141

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 3rd financial quarter ended 31 March 2022

	(Unaudited) As at 31/3/2022 RM'000	(Audited) As at 30/6/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	11,408	16,125
Adjustments for :		
Depreciation of property, plant and equipment	1,744	1,275
Depreciation of right-of-use assets	818	795
Fair value gain from short-term funds	-	(27)
Unrealised gain from short term investments	(183)	-
Interest expense	175	211
Amortisation of deferred income	(152)	(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	(765)	(673)
Unrealised gain on foreign exchange	-	(144)
Unrealised loss on foreign exchange	104	111
Operating profit before working capital changes	13,149	17,430
Changes in working capital:		
Decrease/(Increase) in inventories	(1,296)	(619)
Decrease/(Increase) in receivables	347	(4,049)
(Decrease) / Increase in payables	3,794	(294)
Cash generated from/(used in) operating activities	15,994	12,468
Income tax refund/(paid)	(75)	(460)
Net cash generated from/ (used in) operating activities	15,919	12,008
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	765	673
Increase in pledged deposit with a licensed bank	-	(253)
Investment in quoted securities	(449)	-
Purchase of property, plant and equipment	(9,426)	(5,976)
Proceeds from disposal of property, plant and equipment	-	59
Net cash from/ (used in) investing activities	(9,110)	(5,497)
CASH FLOWS FROM FINANCING ACTIVITIES		
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	(175)	(211)
Repayment of lease liabilities	(1,119)	(1,026)
Repayment of term loan	(117)	(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	(9,255)	(8,006)
Net cash (used in)/ from financing activities	(7,161)	67,965
Net (decrease)/ increase in cash and cash equivalents	(352)	74,476
Cash and cash equivalents at beginning of period	88,666	13,768
Effects of exchange rate changes	(142)	(60)
Cash and cash equivalents at end of period	88,172	88,184
Cash and cash equivalents consist of:		
Short Term Funds	68,529	75,239
Cash and bank balances	19,408	12,463
Fixed deposits pledged to licensed banks	235	482
	88,172	88,184

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 MARCH 2022.

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 MARCH 2022.

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 March 2022, the Company issued new ordinary shares pursuant to the conversion of warrants as below:

	Current quarter ended 31/03/22		Current year to date ended 31/03/22	
	No. of shares	RM	No. of shares	RM
Conversion of warrants	-	-	3,022,600	3,506,216

A8 Dividend Paid

Dividends paid during the financial period ended 31 March 2022 were as follows:

- (i) 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.
- (ii) An interim dividend of 0.50 sen per ordinary share amounted to RM4,635,290 in respect of financial year ended 30 June 2022 was paid by the Company on 30 March 2022.

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 MARCH 2022.

Revenue by countries

	Current year quarter 1/1/2022 to 31/3/2022	Current year to date 1/7/2021 to 31/3/2022	Current year to date 1/7/2021 to 31/3/2022
	RM'000	RM'000	%
Malaysia	3,701	12,560	38%
China	3,333	10,454	31%
United States	473	2,558	8%
Philippines	848	2,452	7%
Thailand	359	1,175	4%
Taiwan	319	637	2%
Singapore	579	2,313	7%
Others	700	1,184	4%
Total	10,312	33,333	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	RM'000
Authorised and contracted for	21,454
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 3rd Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
	1/1/2022 to 31/3/2022	1/1/2021 to 31/3/2021		1/7/2021 to 31/3/2022	1/7/2020 to 31/3/2021	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	10,312	9,618	7%	33,333	28,123	19%
Operating Profit	2,489	3,527	-29%	10,818	11,208	-3%
Profit before tax ("PBT")	2,809	3,596	-22%	11,408	11,706	-3%
Profit after tax ("PAT")	2,809	3,577	-21%	12,419	11,598	7%
Profit attributable to ordinary equity holders of the parent ("net profit")	3,172	3,657	-13%	13,733	11,598	18%

3QFY2022 YoY

For the current quarter ended 31 March 2022 ("3QFY2022"), JF Tech delivered a revenue of RM10.31 million, representing an increase of 7% year-on-year ("YoY") from RM9.36 million a year ago. This was chiefly driven by sustained demand from customers for high performance test contactors, encouraging sales from the test engineering solutions business, JF TestSense, as well as contribution from the Group's new manufacturing facility in Kunshan, China. Revenue from Malaysia and China improved 16% YoY and 11% YoY respectively in 3QFY2022

Notwithstanding the higher revenue, the Group reported a PBT of RM2.81 million for the quarter under review versus RM3.60 million in the previous year corresponding quarter. The primary reason behind this was the higher operating expenses in relation to the manufacturing facility in Kunshan, China, and JF TestSense. The plant in China is still in the gestation period with utilization rate picking up gradually, having only commenced operations in the 4th quarter of 2021. As for JF TestSense, headcount has increased in preparation for more sales activities and incoming new jobs. Correspondingly, 3QFY2022 net profit slipped 13% YoY to RM3.17 million from RM3.66 million a year ago.

9MFY2022

For the current financial year ended 31 March 2022, JF Tech recorded its highest-ever nine-month performance. 9MFY2022 revenue jumped 19% YoY to RM33.33 million as compared to RM28.12 million a year ago. In tandem with the double-digit top-line improvement, net profit for the period under review also rose to an all-time high of RM13.73 million versus RM11.60 million in 9MFY2021. The solid top and bottom-line growth were largely attributed to the abovementioned factors coupled with the reversal of prior tax provision.

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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 3rd Quarter 1/1/2022 to 31/3/2022	Immediate Preceding Quarter 1/10/2021 to 31/12/2021	Changes QoQ
	RM'000	RM'000	%
Revenue	10,312	11,706	-12%
Operating Profit	2,489	2,326	7%
Profit before tax ("PBT")	2,809	2,598	8%
Profit after tax ("PAT")	2,809	5,028	-44%
Profit attributable to ordinary equity holders of the parent ("net profit")	3,172	5,523	-43%

On a quarter-on-quarter ("QoQ") basis, the Group's revenue decreased 12% QoQ to RM10.31 million from RM11.70 million recorded in the immediate preceding quarter due to softer sales. In contrast, the Group's PBT increased 8% QoQ to RM2.81 million in 3QFY2022 from RM2.60 million in 2QFY2022. This was a result of the improvement in operational efficiency as compared to the immediate preceding quarter. Meanwhile, net profit stood at RM3.17 million for the current quarter under review versus RM5.52 million in 2QFY2022. This was predominantly owing to the reversal of prior tax provision recognised in the preceding quarter.

B3 Prospects for financial year ended 30 June 2022.

Looking ahead, the Board remains upbeat on the outlook of JF Tech as the Group's growth drivers are gradually taking shape along with the upward trajectory of the global semiconductor industry. At the same time, the Board is also mindful of the ongoing challenges and market uncertainties.

The Group's manufacturing facility in Kunshan, China was temporarily affected by the lockdown, however, given that the facility is still at gestation phase, the impact was minimal. Operations have since resumed and the Group is able to ramp up utilization to make up for the downtime. Additionally, JF Tech's operations in Malaysia are also able to provide support if required.

The Group's test interface business is charting good progress. With the borders reopened, the team can now travel overseas to meet existing and potential customers as well as partners to scale the business. Apart from that, JF Tech will be enhancing its semiconductor test solutions services through the proposed acquisition of assets and business of Ikeda Technology (M) Sdn. Bhd. ("Ikeda") ("Proposed Acquisition). Ikeda is a precision engineering provider with a proven track record and experience of more than 15 years in the semiconductor industry

The test interface products offered by Ikeda are complementary to the Group's existing test solution products. In turn, this would enable JF Tech to capture more business and enlarge our customer base. More importantly, the additional technical expertise coming onboard together with our existing research and development capabilities would facilitate the design and development of the next generation products to meet and exceed future technology needs. The Proposed Acquisition is expected to be completed by the second quarter of 2022.

Separately, the Group's Proposed Transfer of listing to the Main Market of Bursa Securities, the exercise remains ongoing and is expected to be completed soon.

All in all, the prospects of the Group remain bright premised upon the aforementioned factors and is confident to overcome the challenges ahead with prudent management and careful execution. The Board expects the financial performance of JF Tech for the remaining quarter of FY2022 to be satisfactory barring any unforeseen circumstances.

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

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 3rd Quarter 1/1/2022 to 31/3/2022 RM'000	Preceding Year Corresponding Quarter 1/1/2021 to 31/3/2021 RM'000	Current Year To-date 1/7/2021 to 31/3/2022 RM'000	Preceding Year Corresponding Period 1/7/2020 to 31/3/2021 RM'000
Other Income - Amortisation of government grant	(51)	(51)	(152)	(152)
Depreciation of property, plant and equipment	951	412	2,562	1,213
Interest expense	50	60	175	112
Interest income from short term funds	(369)	(129)	(765)	(609)
Unrealised gain from short term investments	(183)	974	(183)	974
Loss on disposal of property, plant and equipment	-	-	-	9
Property, plant and equipment written off	-	-	-	1
Net (gain)/loss on realised and unrealised foreign exchange	(83)	(160)	(208)	56

B6 Taxation

	Current Year 3rd Quarter 1/1/2022 to 31/3/2022 RM'000	Current Year To-date 1/7/2021 to 31/3/2022 RM'000
Current tax	(28)	1,011
Deferred tax	-	-
In respect of prior years	28	-
Total	-	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 March 2022 is as follows :

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowing	1,338	-	1,338
Long term borrowing	3,913	-	3,913
Total	5,251	-	5,251

The Group does not have any foreign currency borrowings.

B8 Dividend Payable

There was no dividend declared or recommended for the current quarter under review.

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 3rd Quarter 1/1/2022 to 31/3/2022	Preceding Year Corresponding Quarter 1/1/2021 to 31/3/2021	Current Year To-date 1/7/2021 to 31/3/2022	Preceding Year Corresponding Period 1/7/2020 to 31/3/2021
Profit attributable to owners of the Company (RM'000)	3,172	3,657	13,733	11,678
Weighted average number of ordinary shares for basic earnings per share ('000)	927,058	927,058	925,865	925,865
Basic Earnings Per Share based on weighted average number of ordinary shares (sen)	0.34	0.39	1.48	1.26

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

b) Diluted EPS

	Current year 3rd Quarter 1/1/2022 to 31/3/2022	Preceding Year Corresponding Quarter 1/1/2021 to 31/3/2021	Current Year To-date 1/7/2021 to 31/3/2022	Preceding Year Corresponding Period 1/7/2020 to 31/3/2021
Profit attributable to owners of the Company (RM'000)	3,172	3,657	13,733	11,678
Weighted average number of ordinary shares for basic earnings per share ('000)	927,058	927,058	925,865	925,865
Effective of dilution from conversion of warrants ('000)	29,358	29,358	54,348	54,348
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	956,416	956,416	980,213	980,213
Diluted Earnings Per Share (sen)	0.33	0.38	1.40	1.19

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 :-

(i) 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 soon.

(ii) ANNOUNCEMENT TO BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") ON 9 MAY 2021 IN RELATION TO THE PROPOSED ACQUISITION OF ASSETS AND BUSINESS OF IKEDA TECHNOLOGY (M) SDN. BHD.

On 9 May 2022, the Board of Directors of the company had announced that JF TestSense Sdn Bhd ("**JF TestSense**"), a wholly-owned subsidiary of JF Tech entered into an Assets and Business Purchase Agreement with Ikeda Technology (M) Sdn Bhd ("**Ikeda Technology**"), Mr. See Hock Eng and Mr. Lim Chin Nyen ("**Agreement**") for the proposed acquisition of the business and assets including all designs, products, intellectual property, know-how and technology owed by and used in connection with the business of Ikeda Technology ("**Proposed Acquisition**").

The acquisition is conditional upon fulfilment of the Conditions Precedent to the Agreement.

Barring any unforeseen circumstances, the Board expects the Proposed Acquisition to be completed by second quarter 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	3,813	19,187	Within 36 months
2	R&D laboratory expansion	4,000	479	3,521	Within 24 months
3	Setting up of new test interface and services business unit	12,000	7,445	4,555	Within 24 months
4	Purchase of input materials and manufacturing consumables	5,000	5,000	0	Within 60 months
5	Future working capital/investment	25,632	6,777	18,855	Within 60 months
6	Estimated expenses in relation to the Proposed Private Placement	350	350	0	Within 36 months
		69,982	23,864	46,118	

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

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 26 May 2022

On Behalf of the Board

Dato' Foong Wei Kuong
Managing Director

26 May 2022