



JCY INTERNATIONAL BERHAD

(713422 X)

(Incorporated in Malaysia)

Interim Financial Statements

30 Sep 2019



JCY International Berhad

(Incorporated in Malaysia - Company No. 713422-X)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME For the Financial Year Ended 30 September 2019 (Unaudited)

	Individual Quarter 3 Months Ended		Financial Year Ended	
	30 Sep 2019 Unaudited RM'000	30 Sep 2018 Unaudited RM'000	30 Sep 2019 Unaudited RM'000	30 Sep 2018 Audited RM'000
Revenue	258,616	323,011	1,037,110	1,390,916
Cost of sales	<u>(262,028)</u>	<u>(308,546)</u>	<u>(1,066,624)</u>	<u>(1,408,337)</u>
Gross (loss) / profit	(3,412)	14,465	(29,514)	(17,421)
Other operating income	28,102	5,579	32,029	11,201
Foreign exchange gain	6,163	11,532	14,042	393
General and administrative expenses	(5,202)	(11,028)	(39,724)	(32,170)
Other operating expenses	<u>(40,111)</u>	<u>(90,098)</u>	<u>(40,111)</u>	<u>(90,098)</u>
Loss from operations	(14,460)	(69,550)	(63,278)	(128,095)
Finance costs	<u>(631)</u>	<u>(868)</u>	<u>(2,916)</u>	<u>(3,151)</u>
Loss before taxation	(15,091)	(70,418)	(66,194)	(131,246)
Income tax credit	13,797	20,585	12,911	19,152
Net Loss for the period	<u>(1,294)</u>	<u>(49,833)</u>	<u>(53,283)</u>	<u>(112,094)</u>
Other comprehensive loss:				
- Foreign currency translation	(6,779)	(4,014)	(7,057)	(12,262)
Total comprehensive income / (loss) for the period	<u>(8,073)</u>	<u>(53,847)</u>	<u>(60,340)</u>	<u>(124,356)</u>
Net profit / (loss) attributable to:				
- Equity holders of the Company	(1,294)	(49,833)	(53,283)	(112,094)
Basic earning / (loss) per share (Sen)	(0.06)	(2.42)	(2.59)	(5.44)
Diluted earning / (loss) per share (Sen)	<u>(0.06)</u>	<u>(2.42)</u>	<u>(2.50)</u>	<u>(5.44)</u>
Total comprehensive income / (loss) attributeable to:				
- Equity holders of the Company	(8,073)	(53,847)	(60,340)	(124,356)
Basic total comprehensive income / (loss) per share for the period (sen)	(0.39)	(2.61)	(2.93)	(6.03)
Diluted total comprehensive income / (loss) per share for the period (sen)	<u>(0.38)</u>	<u>(2.61)</u>	<u>(2.84)</u>	<u>(6.03)</u>

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

JCY International Berhad

(Incorporated in Malaysia - Company No. 713422-X)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 30 September 2019 (Unaudited)

	As At 30 Sep 2019 Unaudited RM'000	As At 30 Sep 2018 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	278,452	393,372
Land use rights	25,143	26,962
Deferred tax assets	-	-
Restricted bank deposits	1,769	1,652
	<u>305,364</u>	<u>421,986</u>
Current assets		
Inventories	191,572	253,488
Trade and other receivables	285,913	285,162
Non-current assets held for sales	-	-
Other current assets	6,605	5,648
Tax recoverable	894	9,277
Cash and bank balances	287,632	213,810
	<u>772,616</u>	<u>767,385</u>
TOTAL ASSETS	<u><u>1,077,980</u></u>	<u><u>1,189,371</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	536,732	536,732
Reserves	351,245	407,112
Total equity	<u>887,977</u>	<u>943,844</u>
Non-current liabilities		
Deferred tax liabilities	1,744	14,666
Long term employees benefits	5,248	3,356
	<u>6,992</u>	<u>18,022</u>
Current liabilities		
Trade and other payables	135,181	174,192
Short term borrowings	47,517	52,996
Tax payable	313	317
	<u>183,011</u>	<u>227,505</u>
Total liabilities	<u>190,003</u>	<u>245,527</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,077,980</u></u>	<u><u>1,189,371</u></u>

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

JCY International Berhad

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 September 2019 (Unaudited)

	Non-distributable ←----->				Distributable ←----->	Total RM'000
	Share capital RM'000	Foreign currency translation reserve RM'000	ESOS reserves RM'000	Treasury shares RM'000	Retained earnings RM'000	
At 01 October 2018	536,732	53,645	-	(15,584)	369,051	1,088,810
Total comprehensive income for the period	-	(7,057)	-	-	(53,283)	(60,340)
Transactions with owners:-						
Share-based payments under ESOS	-	-	4,473	-	-	4,473
At 30 September 2019	536,732	46,588	4,473	(15,584)	315,768	887,977
At 01 October 2017	536,732	65,907	-	(15,584)	501,755	1,088,810
Total comprehensive income for the period	-	(12,262)	-	-	(112,094)	(124,356)
Transactions with owners:-						
Dividend	-	-	-	-	(20,610)	(20,610)
At 30 September 2018	536,732	53,645	-	(15,584)	369,051	943,844

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS For the Financial Year Ended 30 September 2019 (Unaudited)

	Year Ended	
	30 Sep 2019	30 Sep 2018
CASH FLOWS FROM	Unaudited	Audited
OPERATING ACTIVITIES	RM'000	RM'000
Profit before taxation	(66,194)	(131,246)
Adjustments for :		
Depreciation	49,479	80,745
Amortisation of prepaid land lease	623	641
(Gain)/loss on disposal of PPE / land use right	(26,047)	(2,224)
Inventory written down to NRV and obsolete inventory written-off	-	5,896
Unrealised (gain)/loss on foreign exchange	(5,275)	(9,754)
Property, plant and equipment written off	4,734	3,400
Share-based payments under ESOS	4,473	-
Impairment loss on property, plant and equipment	29,712	90,098
Defined benefit plan	1,575	(207)
Interest and investment income	(5,006)	(5,824)
Interest expense	2,555	2,294
Operating cash flow before working capital changes	(9,371)	33,819
Inventories	61,916	(24,502)
Receivables	56,670	41,442
Other Current Assets	(957)	3,326
Payables	(37,209)	(38,229)
Cash generated from operations	71,049	15,856
Interest paid	(2,555)	(2,294)
Tax (paid) / recovered	8,368	(3,015)
Net cash generated from operating activities	76,862	10,547

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS For the Financial Year Ended 30 September 2019 (Unaudited)

	Year Ended	
	30 Sep 2019	30 Sep 2018
(Continued)		
CASH FLOWS FROM	Unaudited	Audited
INVESTING ACTIVITIES	RM'000	RM'000
Purchase of property, plant and equipment / land use right	(21,101)	(67,528)
Proceeds from disposal of property, plant and equipment / land use right	23,722	8,181
Additional restricted bank deposits	-	(19)
Additional deposits with investment fund operated by financial institution	(1,675)	(1,548)
Interest and investment income received	5,006	5,824
Net cash used in investing activities	<u>5,952</u>	<u>(55,090)</u>
CASH FLOWS FROM		
FINANCING ACTIVITIES		
Dividend paid	-	(36,067)
Drawdown / (repayment) of short-term borrowings	(4,653)	(2,566)
Net cash used in financing activities	<u>(4,653)</u>	<u>(38,633)</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	78,161	(83,176)
EFFECTS OF FOREIGN EXCHANGE RATE DIFFERENCES	(6,014)	(868)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>170,033</u>	<u>254,077</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u><u>242,180</u></u>	<u><u>170,033</u></u>
Reconciliation with Cash and Bank Balances:-		
Cash and Cash Equivalents	242,180	170,033
Deposits with Investment Fund operated by Financial Institution	<u>45,452</u>	<u>43,777</u>
CASH AND BANK BALANCES	<u><u>287,632</u></u>	<u><u>213,810</u></u>

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This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

A1. BASIS OF PREPARATION

These interim financial statements are unaudited and have been prepared in compliance with MFRS 134: Interim Financial Reporting, IAS 34: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Main Market LR").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to this interim financial statements. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of JCY International Berhad and its subsidiaries ("the Group") since the financial year ended 30 September 2018.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2018, except for the following new Malaysian Financial Reporting Standards ("MFRSs") and Amendments to MFRSs adopted by the Group for the financial year ending 30 September 2019:-

Effective for financial periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments

MFRS 15 Revenue from Contracts with Customers

MFRS 16 Leases

MFRS 2 Classification and Measurement of Share-based Payment Transactions (Amendments to MFRS 2)

MFRS 9 Prepayment Features with Negative Compensation (Amendments to MFRS 9)

MFRS 119 Plan Amendment, Curtailment or Settlement (Amendments to MFRS 119)

MFRS 128 Long-term Interests in Associates and Joint Ventures (Amendments to MFRS 128)

MFRS 140 Transfers of Investment Property (Amendments to MFRS 140)

Amendments to MFRS 2 Share - based Payment

Annual Improvements to MFRS Standards 2014 – 2016 Cycle

Annual Improvements to MFRS Standards 2015 – 2017 Cycle

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

IC Interpretation 23 Uncertainty over Income Tax Treatments

A3. AUDITORS' REPORT IN PRECEDING FINANCIAL STATEMENTS

The auditors' report on the financial statements for the preceding year was not subject to any audit qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The Group does not experience significant fluctuations in operations due to seasonal factors, although demand for hard disk drive ("HDD") components tends to increase slightly during the last quarter of the financial year as a result of higher demand for HDDs.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

A5. UNUSUAL ITEMS AFFECTING THE ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASHFLOW

During the financial year, YK Technology (Suzhou) Co., Ltd ("YKT"), an indirect wholly-owned subsidiary of the Company, entered into a Nonresidential Property Relocation Compensation Agreement with Guo Lane Street Relocation Office ("Guo Lane") for the proposed acceptance of relocation compensation for the land located at No. 1777, YiZhong South Road, Suzhou Wuzhong Economic Technology Development Area together with non-commercial buildings erected thereon by YKT from Guo Lane for a total relocation compensation amount of Chinese Yuan (CNY)133,306,850 (equivalent to approximately RM81,050,565).

As a result of the acceptance of the relocation compensation, the Group has, during the period under review, recognised the gain on disposal of approximately RM21.2 million after deducting all direct cost and consequential cost relating to the relocation compensation.

During the period under review, the Group further reassessed the recoverable value of its property, plant and machinery and land use right and has further taken up additional impairment loss of RM29.7 million.

A6. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in accounting estimates that have had a material effect in the current financial period results.

A7. CAPITAL COMMITMENTS

The Group has capital commitments for the followings:

	As at 30 Sep 19 RM'000	As at 30 Sep 18 RM'000
Approved and contracted for :		
Purchase of properties, plants and equipment	2,076	7,969

A8. DEBTS AND EQUITY SECURITIES

There were no issuance, repurchase, cancellation, resale and repayment of debt and equity securities during the quarter under review.

A9. DIVIDENDS PAID

Dividends declared or paid, if any, during the financial quarter under review and the financial year ending 30 September 2019 are disclosed in note B11.

A10. DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are disclosed in the Condensed Consolidated Statements of Comprehensive Income and note B12.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

A11. SEGMENTAL INFORMATION

The Group's activities are predominantly in the sector of trading, manufacturing and assembling of HDD components. As such, segmental information is only presented by geographical segments. The geographical segments are based on the location of assets and these are :

- (i) Malaysia
- (ii) Thailand
- (iii) Others : These consist of segments which cover mainly China and Singapore but which individually fall below the 10% threshold of a reportable segment

	Malaysia RM'000	Thailand RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Financial Year Ended 30 September 2019					
Segment revenue					
Sales to external customers	736,691	300,419	-	-	1,037,110
Inter-segment sales	168,702	-	26,308	(195,010)	-
Total	905,393	300,419	26,308	(195,010)	1,037,110
Segment results	(37,116)	(23,402)	19,484	(12,249)	(53,283)
As at 30 September 2019					
Total assets	1,620,081	157,042	470,120	(1,169,263)	1,077,980
Total liabilities	190,433	204,680	304,940	(510,050)	190,003
Financial Year Ended 30 September 2018					
Segment revenue					
Sales to external customers	1,054,773	336,035	108	-	1,390,916
Inter-segment sales	274,818	-	77,488	(352,306)	-
Total	1,329,591	336,035	77,596	(352,306)	1,390,916
Segment results	(47,949)	(31,006)	(70,729)	37,590	(112,094)
As at 30 September 2018					
Total assets	1,721,456	168,535	453,841	(1,154,461)	1,189,371
Total liabilities	276,134	191,803	300,352	(522,762)	245,527

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

A12. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

A13. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial year.

A14. CONTINGENT LIABILITIES

There were no contingent liabilities as at 30 September 2019.

A15. RELATED PARTY TRANSACTIONS

There was no related party transaction in the current period under review and the corresponding period in previous financial year.

A16. MATERIAL EVENT SUBSEQUENT TO END OF CURRENT FINANCIAL QUARTER

There was no material event after the current financial quarter under review that have not been reflected in the financial statements for the period.

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B1. REVIEW OF PERFORMANCE

	Revenue		Net Profit / (Loss)	
	3 Months Ended		3 Months Ended	
	30 Sep 19	30 Sep 18	30 Sep 19	30 Sep 18
Segments	RM'000	RM'000	RM'000	RM'000
Malaysia	223,897	362,516	4,177	18,196
Thailand	79,243	66,468	(13,649)	(18,222)
Group	258,616	323,011	(1,294)	(49,833)

	Revenue		Net Profit / (Loss)	
	Financial Year Ended		Financial Year Ended	
	30 Sep 19	30 Sep 18	30 Sep 19	30 Sep 18
Segments	RM'000	RM'000	RM'000	RM'000
Malaysia	905,393	1,329,591	(37,116)	(47,949)
Thailand	300,419	336,035	(23,402)	(31,006)
Group	1,037,110	1,390,916	(53,283)	(112,094)

Detailed Analysis for current quarter and cumulative period

The Group recorded a revenue of RM258.6 million and RM1,037.1 million for the reporting quarter and the financial year respectively, this represents a reduction of 19.9% and 25.4% respectively compared to previous year's corresponding periods. The reduction in revenue comparing to the previous year corresponding periods was due mainly to the lower overall volume shipped.

The Group recorded a net loss of RM1.3 million and RM53.3 million for the reporting quarter and cumulative period respectively, compared to net loss of RM49.8 million and RM112.1 million respectively in the previous year's corresponding periods. The improvement of net result for the reporting quarter was due mainly to the lower impairment recognised during the current periods, together with a one-time gain on disposal of land and buildings through acceptance of relocation compensation by a subsidiary.

As our segmental report is based on geographical performance with similar business activities, the factors affecting the earnings and revenue for Malaysia and Thailand segments are similar to those affecting the Group as discussed above.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group recorded a revenue of approximately RM258.6 million for the reporting quarter or 21.2% higher compared to the RM213.5 million of revenue recorded in the immediate preceding quarter ended 30 June 2019. The increase on revenue was due mainly to higher overall volume shipped.

The Group recorded a loss before tax of RM15.1 million for the reporting quarter, compared to loss before tax of RM26.4 million reported in the immediate preceding quarter ended 30 June 2019. The improvement of the result before tax was due mainly to the a one-time gain on disposal of land and buildings through acceptance of relocation compensation by a subsidiary, despite a further recognition of impairment on PPE of RM29.7 million.

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B3. FUTURE PROSPECT

Total HDD shipments rose 5.6% quarter on quarter to 83 million units, increases in the desktop and enterprise segments outweighed declines in other sectors. However, the lack of strong forward indicators suggests that total HDD shipments are likely to continue a general decline in the long term.

While JCY remains competitive in the HDD component space, we continue our efforts to explore new opportunities to diversify into related businesses.

B4. VARIANCE FROM PROFIT FORECAST

Not applicable as the Group has not issued any profit forecast for the period under review.

B5. TAXATION

Domestic current income tax is calculated at the statutory tax rate of 24% (2018: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

	Financial Year Ended 30 Sep 19 RM'000	Financial Year Ended 30 Sep 18 RM'000
Current year tax	-	437
Under-provision in previous year	11	(485)
Relating to temporary tax differences	<u>(12,922)</u>	<u>(19,104)</u>
	<u>(12,911)</u>	<u>(19,152)</u>

B6. PROFIT ON SALES OF UNQUOTED INVESTMENT OR PROPERTIES

Save for as disclosed in note A5, there were no sales of unquoted investment or property by the Group for the current quarter under review.

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B7. STATUS OF CORPORATE PROPOSALS

On 12 March 2019, the Company announced that YK Technology (Suzhou) Co., Ltd ("YKT"), an indirect wholly-owned subsidiary of the Company, had entered into a Non-residential Property Relocation Compensation Agreement with Guo Lane Street Relocation Office ("Guo Lane") for the proposed acceptance of relocation compensation for the land located at No. 1777, YiZhong South Road, Suzhou Wuzhong Economic Technology Development Area together with non-commercial buildings erected thereon by YKT from Guo Lane for a total relocation compensation amount of Chinese Yuan (CNY)133,306,850 (equivalent to approximately RM81,050,565).

On 21 March 2019, YKT received the first payment of CNY 26,661,370 (equivalent to approximately RM16,215,000) as per payment schedule stipulated in the Agreement. On 25 October 2019, YKT has officially handed over the properties to Guo Lane per agreed under the Relocation Compensation Agreement.

B8. BORROWING AND DEBT SECURITIES

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 30 September 2019.

	As At 30 Sep 19 RM'000	As At 30 Sep 18 RM'000
Short Term Borrowings		
Foreign currency trade loans	<u>47,517</u>	<u>52,996</u>

All the above borrowings are unsecured.

B9. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have any off balance sheet financial instruments.

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B10. MATERIAL LITIGATION

There is no major changes to material litigation since the last statement of financial position date as of 30 September 2018.

Tenaga Nasional Berhad ("TNB") vs JCY HDD Technology Sdn Bhd ("JCY HDD")

A subsidiary of the Company, JCY HDD Technology Sdn. Bhd. ("JCY HDD"), has received letters dated 14 December 2010 from Tenaga Nasional Berhad ("TNB" or the "Plaintiff") claiming for additional electricity charges of approximately RM8.36 million. JCY HDD had disputed the claims and had discussed with TNB

On 15 December 2011, the Judge fixed for decision for the case after a preliminary question of law that TNB's claim is only restricted to 3 months backcharges and JCY HDD is only required to pay to TNB for an amount of approximately RM1.05 million. However, TNB had filed an appeal to the Court of Appeal against the decision of the High Court made on 15 December 2011.

On 19 July 2018, the Court decided that the Plaintiff's claim for a balance sum of RM6.97 million is allowed and the cost of RM25,000 is awarded to the Plaintiff, and that interest at the rate of 5% per annum is payable on the judgment sum calculated from the date of judgment until date of full settlement. JCY HDD had filed an appeal on 16 August 2018. The Court of Appeal has fixed a hearing session on this matter on 7 Feb 2020.

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B11. DIVIDENDS

In Respect of	
Financial Year Ended 30 Sep 19 RM'000	Financial Year Ended 30 Sep 18 RM'000

Single Tier Interim Dividend of 0.5 sen per ordinary share on 2,060,912,300 ordinary shares (excluding Treasury Shares), declared on 27 Feb 2018 and paid on 10 Apr 2018

- 10,305

The Board has further resolved to declare a Single Tier Tax Exempt First Interim Dividend for the financial year ended 30 September 2019 of 0.5 sen per share on 27 November 2019 with the entitlement date and payable date to be determined in due course.

B12. EARNINGS PER SHARE

The basic and diluted earnings per share were derived as below:-

	3 months Ended		Financial Year Ended	
	30 Sep 19	30 Sep 18	30 Sep 19	30 Sep 18
Net (loss) / profit (RM '000)	(1,294)	(49,833)	(53,283)	(112,094)
Weighted average number of ordinary shares (excluding Treasury Shares) ('000)	2,060,912	2,060,912	2,060,912	2,060,912
Basic (loss) / earnings per share (Sen)	(0.06)	(2.42)	(2.59)	(5.44)
Diluted weighted average no. of ordinary shares (excluding Treasury Shares) ('000)	2,128,082	2,060,912	2,128,082	2,060,912
Diluted (loss) / earnings per share (Sen)	(0.06)	(2.42)	(2.50)	(5.44)

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B13. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	3 months Ended		Financial Year Ended	
	30 Sep 19	30 Sep 18	30 Sep 19	30 Sep 18
	RM'000	RM'000	RM'000	RM'000
After charging:-				
Interest Expense	617	604	2,555	2,294
Depreciation and Amortization	9,336	14,126	50,102	81,386
Foreign Exchange Loss (net)	-	-	-	-
Loss on disposal of property, plant and equipment / land use rights (net)	-	-	-	-
Property, plant and equipment written-off	3,064	3,352	4,734	3,400
Impairment loss	29,712	90,098	29,712	90,098
Inventory written down to NRV and obsolete inventory written-off	<u>1,478</u>	<u>5,896</u>	<u>1,478</u>	<u>5,896</u>
After crediting:-				
Interest Income	838	879	3,331	4,276
Investment Income	419	417	1,675	1,548
Other Income	84	4,283	262	5,377
Foreign Exchange Gain (Net)	6,163	11,532	14,042	393
Gain on disposal of property, plant and equipment (Net)	<u>30,875</u>	<u>1,440</u>	<u>26,047</u>	<u>2,224</u>

There were no gain or loss on disposal of quoted or unquoted investments and other exceptional items for the current quarter under review and the Financial Year ended 30 September 2019.

By Order of the Board

Company Secretary
27 November 2019