



## **JCY INTERNATIONAL BERHAD**

[ 200501031285 (713422 X) ]  
(Incorporated in Malaysia)

**Interim Financial Statements**  
30 Sep 2020



# JCY International Berhad

(Incorporated in Malaysia - Company No. 200501031285 [713422 X])

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME For the Financial Year Ended 30 September 2020 (Unaudited)

	Individual Quarter 3 Months Ended		Financial Year Ended	
	30 Sep 2020 Unaudited RM'000	30 Sep 2019 Unaudited RM'000	30 Sep 2020 Unaudited RM'000	30 Sep 2019 Audited RM'000
Revenue	301,475	258,616	1,075,845	1,037,110
Cost of sales	<u>(286,068)</u>	<u>(262,029)</u>	<u>(1,034,140)</u>	<u>(1,066,625)</u>
Gross profit / (loss)	15,407	(3,413)	41,705	(29,515)
Other operating income	37,005	28,102	42,158	32,029
Foreign exchange (loss) / gain	(14,929)	6,163	(11,215)	14,042
General and administrative expenses	(9,535)	(17,194)	(30,808)	(51,716)
Other operating expenses	<u>-</u>	<u>(29,712)</u>	<u>-</u>	<u>(29,712)</u>
Profit from operations	27,948	(16,054)	41,840	(64,872)
Finance costs	<u>(432)</u>	<u>(631)</u>	<u>(2,292)</u>	<u>(2,916)</u>
Profit before taxation	27,516	(16,685)	39,548	(67,788)
Income tax expense	<u>(13,399)</u>	<u>14,501</u>	<u>(13,944)</u>	<u>13,615</u>
Net Profit for the period	<u>14,117</u>	<u>(2,184)</u>	<u>25,604</u>	<u>(54,173)</u>
Other comprehensive income:				
- Foreign currency translation	4,909	(5,186)	9,795	(5,464)
Total comprehensive income / (loss) for the period	<u>19,026</u>	<u>(7,370)</u>	<u>35,399</u>	<u>(59,637)</u>
Net profit / (loss) attributable to:				
- Equity holders of the Company	14,117	(2,184)	25,604	(54,173)
Basic earning / (loss) per share (Sen)	0.68	(0.11)	1.24	(2.63)
Diluted earning / (loss) per share (Sen)	<u>0.67</u>	<u>(0.10)</u>	<u>1.21</u>	<u>(2.55)</u>
Total comprehensive income / (loss) attributeable to:				
- Equity holders of the Company	19,026	(7,370)	35,399	(59,637)
Basic total comprehensive income / (loss) per share for the period (sen)	0.91	(0.36)	1.71	(2.89)
Diluted total comprehensive income / (loss) per share for the period (sen)	<u>0.90</u>	<u>(0.35)</u>	<u>1.67</u>	<u>(2.80)</u>

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2019 and the accompanying explanatory notes attached to the interim financial statements.

# JCY International Berhad

(Incorporated in Malaysia - Company No. 200501031285 [713422 X])

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 30 September 2020 (Unaudited)

	As At 30 Sep 2020 Unaudited RM'000	As At 30 Sep 2019 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	324,080	278,452
Land use rights	24,536	25,143
Rights of use assets	5,173	-
Deferred tax assets	465	-
Restricted bank deposits	1,695	1,769
	<u>355,949</u>	<u>305,364</u>
<b>Current assets</b>		
Inventories	207,087	192,202
Trade and other receivables	251,325	285,913
Other current assets	9,461	6,605
Tax recoverable	645	894
Cash and bank balances	328,304	287,632
	<u>796,822</u>	<u>773,246</u>
<b>TOTAL ASSETS</b>	<u><u>1,152,771</u></u>	<u><u>1,078,610</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	544,871	536,732
Reserves	377,839	351,948
<b>Total equity</b>	<u>922,710</u>	<u>888,680</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	12,562	1,040
Lease liabilities	4,394	-
Long term employees benefits	4,929	5,248
	<u>21,885</u>	<u>6,288</u>
<b>Current liabilities</b>		
Trade and other payables	141,887	135,812
Short term borrowings	62,740	47,517
Short term lease liabilities	961	-
Tax payable	2,588	313
	<u>208,176</u>	<u>183,642</u>
<b>Total liabilities</b>	<u>230,061</u>	<u>189,930</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,152,771</u></u>	<u><u>1,078,610</u></u>

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2019 and the accompanying explanatory notes attached to the interim financial statements.

# JCY International Berhad

(Incorporated in Malaysia - Company No. 200501031285 [713422 X])

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 September 2020 (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	
<b>At 01 October 2019</b>	536,732	48,181	4,473	(15,584)	314,878	1,088,810
Total comprehensive income for the period	-	9,795	-	-	25,604	35,399
Transactions with owners:-						
Dividend	-	-	-	-	(10,305)	(10,305)
Share-based payments under ESOS	-	-	797	-	-	797
Issuance of new shares pursuant to ESOS	8,139	-	-	-	-	8,139
<b>At 30 September 2020</b>	<b>544,871</b>	<b>57,976</b>	<b>5,270</b>	<b>(15,584)</b>	<b>330,177</b>	<b>922,710</b>
<b>At 01 October 2018</b>	536,732	53,645	-	(15,584)	369,051	943,844
Total comprehensive income for the period	-	(5,464)	-	-	(54,173)	(59,637)
Transactions with owners:-						
Dividend	-	-	-	-	-	-
Share-based payments under ESOS	-	-	4,473	-	-	4,473
<b>At 30 September 2019</b>	<b>536,732</b>	<b>48,181</b>	<b>4,473</b>	<b>(15,584)</b>	<b>314,878</b>	<b>888,680</b>

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2019 and the accompanying explanatory notes attached to the interim financial statements.

# JCY International Berhad

(Incorporated in Malaysia - Company No. 200501031285 [713422 X])

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS For the Financial Year Ended 30 September 2020 (Unaudited)

	Year Ended	
	30 Sep 2020	30 Sep 2019
<b>CASH FLOWS FROM</b>	<b>Unaudited</b>	<b>Audited</b>
<b>OPERATING ACTIVITIES</b>	<b>RM'000</b>	<b>RM'000</b>
Profit before taxation	39,548	(67,788)
Adjustments for :		
Depreciation	33,096	49,479
Amortisation of prepaid land lease	607	623
Amortisation of rights of use	1,114	-
(Gain)/loss on disposal of PPE / land use right	(2,438)	(23,024)
Inventory written down to NRV and obsolete inventory written-off	1,691	-
Unrealised loss/(gain) on foreign exchange	16,651	(5,275)
Property, plant and equipment written off	11	921
Share-based payments under ESOS	797	4,473
(Reversal) / provision of Impairment loss on assets	(34,592)	29,712
Defined benefit plan	(100)	1,682
Interest and investment income	(5,749)	(4,463)
Interest expense	1,767	2,555
Interest on lease liabilities	250	-
Operating cash flow before working capital changes	52,653	(11,105)
Inventories	(16,576)	61,286
Receivables	(41,621)	54,854
Other Current Assets	(2,856)	(957)
Payables	10,016	(32,429)
Cash generated from operations	1,616	71,649
Interest paid	(1,767)	(2,555)
Tax (paid) / recovered	(363)	8,368
Net cash (used in) / generated from operating activities	(514)	77,462

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# JCY International Berhad

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## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS For the Financial Year Ended 30 September 2020 (Unaudited)

	Year Ended	
	30 Sep 2020	30 Sep 2019
(Continued)		
<b>CASH FLOWS FROM</b>	<b>Unaudited</b>	<b>Audited</b>
<b>    INVESTING ACTIVITIES</b>	<b>RM'000</b>	<b>RM'000</b>
Purchase of property, plant and equipment / land use right	(53,993)	(24,142)
Proceeds from disposal of property, plant and equipment / land use right	71,538	25,538
Additional restricted bank deposits	-	(117)
Additional deposits with investment fund operated by financial institution	(1,489)	(1,683)
Interest and investment income received	5,749	4,463
Net cash generated from / (used in) investing activities	<u>21,805</u>	<u>4,059</u>
<b>CASH FLOWS FROM</b>		
<b>    FINANCING ACTIVITIES</b>		
Dividend paid	(10,305)	-
Proceed from issuance of new shares pursuant to exercise of ESOS	8,139	-
Drawdown / (repayment) of short-term borrowings	15,644	(4,653)
Repayment on lease liabilities	(1,183)	-
Net cash generated from / (used in) financing activities	<u>12,295</u>	<u>(4,653)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>33,586</b>	<b>76,868</b>
<b>EFFECTS OF FOREIGN EXCHANGE RATE DIFFERENCES</b>	<b>5,597</b>	<b>(4,729)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>242,180</b>	<b>170,033</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b><u>281,363</u></b>	<b><u>242,172</u></b>
<b>Reconciliation with Cash and Bank Balances:-</b>		
<b>    Cash and Cash Equivalents</b>	<b>281,363</b>	<b>242,172</b>
<b>    Deposits with Investment Fund operated by Financial Institution</b>	<b>46,941</b>	<b>45,460</b>
<b>CASH AND BANK BALANCES</b>	<b><u>328,304</u></b>	<b><u>287,632</u></b>

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This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2019 and the accompanying explanatory notes attached to the interim financial statements.

# JCY International Berhad

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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

### 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 2019 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 2019.

### 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 2019, 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 2020:-

#### **Effective for financial periods beginning on or after 1 January 2019**

MFRS 16 Leases

Amendments to MFRS 9: Prepayment Features with Negative Compensation

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

Annual Improvements to MFRS Standards 2015–2017 Cycle

Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement

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.

# JCY International Berhad

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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

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

During the quarter ended 30 September 2020, the Group conducted an impairment assessment by comparing the net carrying value of the properties, plants and equipment and land use rights of the Group with the expected discounted future cash flow generated by the the assets. As a result, the Group recognised a reversal of impairment of RM34.6 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:

	<b>As at 30 Sep 20 RM'000</b>	<b>As at 30 Sep 19 RM'000</b>
Approved and contracted for :		
Purchase of properties, plants and equipment	10,874	4,369

### A8. DEBTS AND EQUITY SECURITIES

During the quarter under review, the Company issued 22,141,000 new ordinary arising from the exercise of options granted under the Executive Share Option Scheme ("ESOS") for the Eligible Executives of JCY International Berhad and its subsidiaries at the exercise price of 25 sen per share.

There were no 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 2020 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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# JCY International Berhad

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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

### 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
<b>Financial Year Ended 30 September 2020</b>					
Segment revenue					
Sales to external customers	756,518	318,907	420	-	1,075,845
Inter-segment sales	186,842	-	-	(186,842)	-
Total	<u>943,360</u>	<u>318,907</u>	<u>420</u>	<u>(186,842)</u>	<u>1,075,845</u>
Segment results	<u>54,888</u>	<u>(18,425)</u>	<u>(8,625)</u>	<u>(2,234)</u>	<u>25,604</u>
<b>As at 30 September 2020</b>					
Total assets	1,567,760	192,676	496,270	(1,103,935)	1,152,771
Total liabilities	166,446	218,402	329,005	(483,792)	230,061
<b>Financial Year Ended 30 September 2019</b>					
Segment revenue					
Sales to external customers	736,691	300,419	-	-	1,037,110
Inter-segment sales	168,702	-	26,308	(195,010)	-
Total	<u>905,393</u>	<u>300,419</u>	<u>26,308</u>	<u>(195,010)</u>	<u>1,037,110</u>
Segment results	<u>(11,328)</u>	<u>(15,516)</u>	<u>17,891</u>	<u>(45,220)</u>	<u>(54,173)</u>
<b>As at 30 September 2019</b>					
Total assets	1,621,320	157,042	470,120	(1,169,872)	1,078,610
Total liabilities	190,967	204,680	304,940	(510,657)	189,930

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# JCY International Berhad

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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

### 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

On 26 February 2020, the Company incorporated a new wholly-owned subsidiary by the name of JCY Auto Sdn. Bhd. The intended principal activity of JCY Auto is to be involved in the manufacture of parts and accessories for motor vehicles.

### A14. CONTINGENT LIABILITIES

There were no contingent liabilities as at 30 September 2020.

### 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 of sufficient clarity after the current financial quarter under review that have not been reflected in the financial statements for the period.

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# JCY International Berhad

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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 20	30 Sep 19	30 Sep 20	30 Sep 19
<b>Segments</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia	248,656	223,897	7,211	29,965
Thailand	100,698	79,243	8,423	(5,763)
<b>Group</b>	<b>301,475</b>	<b>258,616</b>	<b>14,117</b>	<b>(2,184)</b>

  

	Revenue		Net Profit / (Loss)	
	Financial Year Ended		Financial Year Ended	
	30 Sep 20	30 Sep 19	30 Sep 20	30 Sep 19
<b>Segments</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia	943,360	905,393	54,888	(11,328)
Thailand	318,907	300,419	(18,425)	(15,516)
<b>Group</b>	<b>1,075,845</b>	<b>1,037,110</b>	<b>25,604</b>	<b>(54,173)</b>

#### Detailed Analysis for current quarter and cumulative period

The Group recorded a revenue of RM301.5 million and RM1,075.8 million for the reporting quarter and financial year respectively, these represent an increase of 16.6% in the reporting quarter and 3.7% for the financial year compared to previous year's corresponding periods. The higher revenue in the reporting quarter compared to previous year corresponding period was due mainly to higher shipment quantity. The Group also recorded a slightly higher revenue for the reporting financial year compared to previous financial year due to better products mix, despite having an isolated significant impact of shipment reduction in 3rd financial quarter due to the global pandemic of COVID-19.

The Group recorded a net profit of RM14.1 million and RM25.6 million for the reporting quarter and financial year respectively, compared to net loss of RM2.2 million and RM54.2 million recorded in the previous year corresponding periods. The improved net results were due mainly to the increase in revenue for the reporting quarter as explained above, and the improvement in gross margin as a result of cost rationalisation efforts as well as the reversal of impairment loss on properties, plants and equipment of RM34.6 million (FY2019: provision of impairment loss of RM29.7 million), despite the reporting of substantial foreign exchange rate losses of RM14.9 million (FY2019: gain of RM6.2 million) in the reporting quarter due mainly to the strengthening of MYR and weakening of THB against USD.

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.

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# JCY International Berhad

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

### **B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

The Group recorded a revenue of approximately RM301.5 million for the reporting quarter or 32.8% higher compared to RM227.0 million of revenue recorded in the immediate preceding quarter ended 30 June 2020. The increase on revenue was due mainly to higher overall quantities shipped during the reporting period compared to poor shipment in the preceding quarter as a result of the Movements Control Order (MCO) imposed in Malaysia.

The Group recorded a profit before tax of RM27.5 million for the reporting quarter, compared to profit before tax of RM3.3 million reported in the immediate preceding quarter ended 30 June 2020. The improvement of the result before tax was due mainly to higher revenue as explained above, reversal of impairment loss on properties, plants and equipment, despite high exchange loss in the reporting quarter.

### **B3. FUTURE PROSPECT**

The coronavirus pandemic continues to affect the global economy, especially with the second wave of the pandemic in Western Europe and USA negatively impacting demand in these markets. On the other hand there have been positive developments with regard to the development of vaccines which suggest that a gradual recovery may be expected some time in the future.

Demand for IT products has been maintained, largely through continuing work from home (WFH) and investments in IT infrastructure. As a result the HDD market is expected to remain relatively stable even if large cloud operators may not be embarking on major capacity expansion due to uncertainties in business demand.

With the expected gradual reduction in global TAM to below 70 million per quarter in the near future, major HDD producers may possibly embark upon a rationalisation of their supply chain, which in turn will affect HDD component suppliers. JCY will deploy its resources to accommodate likely changes in the market.

### **B4. VARIANCE FROM PROFIT FORECAST**

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

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

### B5. TAXATION

Domestic current income tax is calculated at the statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

	<b>Financial Year Ended 30 Sep 20 RM'000</b>	<b>Financial Year Ended 30 Sep 19 RM'000</b>
Current year tax	2,658	-
Under-provision in previous year	222	11
Relating to temporary tax differences	<u>11,064</u>	<u>(13,626)</u>
	<u><u>13,944</u></u>	<u><u>(13,615)</u></u>

### B6. PROFIT ON SALES OF UNQUOTED INVESTMENT OR PROPERTIES

There were no sales of unquoted investment or property by the Group for the current quarter under review.

### B7. STATUS OF CORPORATE PROPOSALS

On 13 January 2020, the Company announced that it had entered into a Business Sale Agreement with SDM Precision Casting Sdn. Bhd. ("SDM") to purchase the Business of SDM for a total purchase consideration of RM5,385,900. Both parties are currently working closely towards fulfilling the conditions precedent as stipulated in the agreement.

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

### B8. BORROWING AND DEBT SECURITIES

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 30 September 2020.

	As At 30 Sep 20 RM'000	As At 30 Sep 19 RM'000
<b>Long Term Borrowings</b>		
Lease liabilities	4,394	-
Total long term borrowings	<u>4,394</u>	<u>-</u>
<b>Short Term Borrowings</b>	<b>RM'000</b>	<b>RM'000</b>
Bank borrowings	62,740	47,517
Lease liabilities	961	-
Total short term borrowings	<u>63,701</u>	<u>47,517</u>
<b>Total borrowings</b>	<u><u>68,095</u></u>	<u><u>47,517</u></u>

### B9. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

### B10. MATERIAL LITIGATION

There is no major changes to material litigation since the last statement of financial position date as of 30 September 2019.

#### 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 as to their basis and quantification of the additional electricity charges.

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. The principal sum of the claim had been paid by a major shareholder of the Company.

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# JCY International Berhad

(Incorporated in Malaysia - Company No. 200501031285 [713422 X])

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

### B11. DIVIDENDS

	In Respect of	
	Financial Year Ended 30 Sep 20 RM'000	Financial Year Ended 30 Sep 19 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 Nov 2019 and paid on 8 Jan 2020 *	-	10,305

\* Being dividend declared for the results of financial year ended 30 September 2019, but paid and recognised in financial year ending 30 September 2020.

### B12. EARNINGS PER SHARE

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

	3 months Ended		Financial Year Ended	
	30 Sep 20	30 Sep 19	30 Sep 20	30 Sep 19
Net profit / (loss) (RM '000)	14,117	(2,184)	25,604	(54,173)
Weighted average number of ordinary shares (excluding Treasury Shares) ('000)	2,084,949	2,060,912	2,071,501	2,060,912
Basic earnings / (loss) per share (Sen)	0.68	(0.11)	1.24	(2.63)
Diluted weighted average no. of ordinary shares (excluding Treasury Shares) ('000)	2,116,192	2,126,201	2,118,095	2,126,201
Diluted earnings / (loss) per share (Sen)	0.67	(0.10)	1.21	(2.55)

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### B13. PROFIT BEFORE TAX

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

	3 months Ended		Financial Year Ended	
	30 Sep 20	30 Sep 19	30 Sep 20	30 Sep 19
	RM'000	RM'000	RM'000	RM'000
<b>After charging:-</b>				
Interest Expense	349	617	1,767	2,555
Depreciation and Amortization	8,478	9,336	33,703	50,102
Foreign Exchange Loss (net)	14,929	-	11,215	-
Loss on disposal of property, plant and equipment / land use rights (net)	-	-	-	-
Property, plant and equipment written-off	5	-	11	921
Impairment loss	-	29,712	-	29,712
Inventory written down to NRV and obsolete inventory written-off	1,691	-	1,691	-
<b>After crediting:-</b>				
Interest Income	968	295	4,268	2,788
Investment Income	305	419	1,481	1,675
Reversal of impairment	34,592	-	34,592	-
Other Income	1,064	3,162	1,741	3,340
Foreign Exchange Gain (Net)	-	6,163	-	14,042
Gain on disposal of property, plant and equipment (Net)	872	29,054	2,438	24,226

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 2020.

### By Order of the Board

Company Secretary  
26 November 2020