



JCY INTERNATIONAL BERHAD

(713422 X)

(Incorporated in Malaysia)

Interim Financial Statements

31 Dec 2015



JCY International Berhad

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME For The Period Ended 31 December 2015 (Unaudited)

| | Individual Quarter 3 Months Ended | | Cumulative 3 Months Ended | |
|--|--------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | 31 Dec 2015 Unaudited RM'000 | 31 Dec 2014 Unaudited RM'000 | 31 Dec 2015 Unaudited RM'000 | 31 Dec 2014 Unaudited RM'000 |
| Revenue | 528,155 | 487,868 | 528,155 | 487,868 |
| Cost of sales | (470,348) | (445,051) | (470,348) | (445,051) |
| Gross profit | 57,807 | 42,817 | 57,807 | 42,817 |
| Other operating income | 2,244 | 1,459 | 2,244 | 1,459 |
| Foreign exchange (loss) / gain | (1,539) | 16,684 | (1,539) | 16,684 |
| General and administrative expenses | (11,389) | (9,561) | (11,389) | (9,561) |
| Derivative loss | (2,869) | - | (2,869) | - |
| Profit from operations | 44,254 | 51,399 | 44,254 | 51,399 |
| Finance costs | (377) | (352) | (377) | (352) |
| Profit before taxation | 43,877 | 51,047 | 43,877 | 51,047 |
| Income tax expense | (2,482) | (860) | (2,482) | (860) |
| Net profit for the period | 41,395 | 50,187 | 41,395 | 50,187 |
| Other comprehensive (loss) / income: | | | | |
| - Foreign currency translation | (11,147) | 10,133 | (11,147) | 10,133 |
| Total comprehensive income for the period | 30,248 | 60,320 | 30,248 | 60,320 |
| Net profit attributable to: | | | | |
| - Equity holders of the Company | 41,395 | 50,187 | 41,395 | 50,187 |
| Basic earnings per share (Sen) | 2.02 | 2.47 | 2.02 | 2.47 |
| Diluted earnings per share (Sen) | 2.00 | 2.43 | 2.00 | 2.43 |
| Total comprehensive income attributeable to: | | | | |
| - Equity holders of the Company | 30,248 | 60,320 | 30,248 | 60,320 |
| Basic total comprehensive income per share for the period (sen) | 1.47 | 2.97 | 1.47 | 2.97 |
| Diluted total comprehensive income per share for the period (sen) | 1.46 | 2.92 | 1.46 | 2.92 |

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2015 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 31 December 2015 (Unaudited)

| | As At 31 Dec 2015 Unaudited RM'000 | As At 30 Sep 2015 Audited RM'000 |
|---|---|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 617,129 | 649,338 |
| Land use rights | 20,427 | 20,608 |
| Deferred tax assets | 8,385 | 10,673 |
| Restricted bank deposits | 1,398 | 1,419 |
| | <u>647,339</u> | <u>682,038</u> |
| Current assets | | |
| Inventories | 346,254 | 366,238 |
| Trade and other receivables | 336,348 | 366,154 |
| Other current assets | 18,184 | 15,119 |
| Tax recoverable | 207 | 207 |
| Cash and bank balances | 442,394 | 383,488 |
| | <u>1,143,387</u> | <u>1,131,206</u> |
| TOTAL ASSETS | <u><u>1,790,726</u></u> | <u><u>1,813,244</u></u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 518,952 | 515,669 |
| Reserves | 758,220 | 785,036 |
| Total equity | <u><u>1,277,172</u></u> | <u><u>1,300,705</u></u> |
| Non-current liabilities | | |
| Deferred tax liabilities | 39,969 | 39,969 |
| Long term employees benefits | 2,820 | 2,695 |
| | <u>42,789</u> | <u>42,664</u> |
| Current liabilities | | |
| Trade and other payables | 285,443 | 297,742 |
| Short term borrowings | 120,661 | 138,567 |
| Dividends payable | 61,792 | 25,584 |
| Derivative liabilities | 2,869 | 7,982 |
| | <u>470,765</u> | <u>469,875</u> |
| Total liabilities | <u>513,554</u> | <u>512,539</u> |
| TOTAL EQUITY AND LIABILITIES | <u><u>1,790,726</u></u> | <u><u>1,813,244</u></u> |

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For The Period Ended 31 December 2015 (Unaudited)

| | Non-distributable | | | | | Distributable | |
|---|-------------------------|--|----------------------------|----------------------------|------------------------------|--------------------------------|------------------|
| | Share capital RM'000 | Foreign currency translation reserve RM'000 | Share premium RM'000 | ESOS reserves RM'000 | Treasury shares RM'000 | Retained earnings RM'000 | Total RM'000 |
| At 01 October 2015 | 515,669 | 87,403 | 9,686 | 3,719 | (15,584) | 699,812 | 1,300,705 |
| Total comprehensive income for the period | - | (11,147) | | - | - | 41,395 | 30,248 |
| Transactions with owners:- | | | | | | | |
| Dividend | - | - | - | - | - | (61,792) | (61,792) |
| Grant of ESOS | - | - | - | - | - | - | - |
| Exercise of ESOS | 3,283 | - | 7,254 | (2,526) | - | - | 8,011 |
| At 31 December 2015 | 518,952 | 76,256 | 16,940 | 1,193 | (15,584) | 679,415 | 1,277,172 |
| At 01 October 2014 | 511,982 | 31,352 | 1,652 | 5,513 | (15,584) | 587,215 | 1,122,130 |
| Total comprehensive income for the period | - | 10,133 | - | - | - | 50,187 | 60,320 |
| Transactions with owners:- | | | | | | | |
| Dividend | - | - | - | - | - | (20,320) | (20,320) |
| Grant of ESOS | - | - | - | 290 | - | - | 290 |
| Exercise of ESOS | - | - | - | - | - | - | - |
| At 31 December 2014 | 511,982 | 41,485 | 1,652 | 5,803 | (15,584) | 617,082 | 1,162,420 |
| Total comprehensive income for the period | - | 45,918 | - | - | - | 159,313 | 205,231 |
| Transactions with owners:- | | | | | | | |
| Dividend | - | - | - | - | - | (76,583) | (76,583) |
| Grant of ESOS | - | - | - | 641 | - | - | 641 |
| Exercise of ESOS | 3,687 | - | 8,034 | (2,725) | - | - | 8,996 |
| At 30 September 2015 | 515,669 | 87,403 | 9,686 | 3,719 | (15,584) | 699,812 | 1,300,705 |

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.

JCY International Berhad

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS For The Period Ended 31 December 2015 (Unaudited)

| | Cumulative 3 Months Ended 31 Dec 2015 Unaudited RM'000 | Cumulative 3 Months Ended 31 Dec 2014 Unaudited RM'000 |
|---|--|--|
| CASH FLOWS FROM | | |
| OPERATING ACTIVITIES | | |
| Profit before taxation | 43,877 | 51,047 |
| Adjustments for : | | |
| Depreciation | 25,610 | 26,056 |
| Amortisation of prepaid land lease | 110 | 77 |
| Gain on disposal of property, plant and equipment | 2,158 | - |
| Inventory written down to NRV and obsolete inventory written-off | - | - |
| Unrealised loss/(gain) on foreign exchange | 23,774 | (12,625) |
| Unrealised Derivative loss | 2,869 | - |
| Property, plant and equipment written off | 228 | - |
| ESOS Benefit | - | 290 |
| Interest income | (1,226) | (1,063) |
| Interest expense | 377 | 352 |
| Operating cash flow before working capital changes | <u>97,777</u> | <u>64,133</u> |
| Inventories | 19,984 | (18,112) |
| Receivables | 26,006 | 175 |
| Other Current Assets | (3,065) | (2,259) |
| Derivatives | (7,982) | - |
| Payables | (5,275) | 24,968 |
| Cash generated from operations | <u>127,445</u> | <u>68,905</u> |
| Interest paid | (377) | (352) |
| Tax paid - net | (194) | (73) |
| Net cash generated from operating activities | <u>126,874</u> | <u>68,480</u> |
| CASH FLOWS FROM | | |
| INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (9,507) | (8,812) |
| Proceeds from disposal of property, plant and equipment | 4,552 | - |
| Interest received | 1,226 | 1,063 |
| Net cash used in investing activities | <u>(3,729)</u> | <u>(7,748)</u> |
| CASH FLOWS FROM | | |
| FINANCING ACTIVITIES | | |
| Dividend paid | (25,584) | (20,320) |
| Proceed from issuance of shares pursuant to exercise of ESOS | 8,011 | - |
| Additional restricted bank deposits | - | (41) |
| (Repayment) / drawdown of short-term borrowings | (18,428) | 24,739 |
| Net cash (used in) / generated from financing activities | <u>(36,001)</u> | <u>4,378</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 87,144 | 65,110 |
| EFFECTS OF FOREIGN EXCHANGE RATE DIFFERENCES | (28,238) | (5,274) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD | <u>383,488</u> | <u>177,188</u> |
| CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD | <u>442,394</u> | <u>237,024</u> |

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.

JCY International Berhad

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

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 2015 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 2015.

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 2015.

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.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial quarter ended 31 December 2015.

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 | As at |
|--|------------------|------------------|
| | 31 Dec 15 | 30 Sep 15 |
| | RM'000 | RM'000 |
| Approved and contracted for : | | |
| Purchase of properties, plants and equipment | 8,815 | 9,575 |

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

A8. DEBTS AND EQUITY SECURITIES

During the quarter under review, the Company issued 13,133,000 new ordinary shares of 25 sen each, for cash, 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 61 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 during the financial quarter under review and the financial year ending 30 September 2016 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.

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 |
|--|--------------------|--------------------|------------------|------------------------|-----------------|
| 3 Months Ended 31 December 2015 | | | | | |
| Segment revenue | | | | | |
| Sales to external customers | 412,874 | 115,255 | 26 | - | 528,155 |
| Inter-segment sales | 73,177 | 3,793 | 18,004 | (94,974) | - |
| Total | <u>486,051</u> | <u>119,048</u> | <u>18,030</u> | <u>(94,974)</u> | <u>528,155</u> |
| Segment results | <u>35,275</u> | <u>5,087</u> | <u>(6,328)</u> | <u>7,361</u> | <u>41,395</u> |
| As at 31 December 2015 | | | | | |
| Total assets | 1,814,169 | 271,632 | 303,941 | (599,016) | 1,790,726 |
| Total liabilities | 528,037 | 293,500 | 232,222 | (540,205) | 513,554 |

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

A11. SEGMENTAL INFORMATION (CONTINUED)

| | Malaysia RM'000 | Thailand RM'000 | Others RM'000 | Eliminations RM'000 | Total RM'000 |
|--|--------------------|--------------------|------------------|------------------------|-----------------|
| 3 Months Ended 31 December 2014 | | | | | |
| Segment revenue | | | | | |
| Sales to external customers | 381,851 | 103,642 | 2,375 | - | 487,868 |
| Inter-segment sales | 74,632 | - | 19,122 | (93,754) | - |
| Total | <u>456,483</u> | <u>103,642</u> | <u>21,497</u> | <u>(93,754)</u> | <u>487,868</u> |
| Segment results | <u>61,692</u> | <u>(2,476)</u> | <u>(76)</u> | <u>(8,953)</u> | <u>50,187</u> |
| As at 31 December 2014 | | | | | |
| Total assets | 1,628,103 | 238,133 | 298,896 | (537,489) | 1,627,643 |
| Total liabilities | 478,314 | 238,554 | 255,417 | (507,062) | 465,223 |

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

During the quarter under review, the Company acquired 100% equity interest in JCY HDD Industries Sdn. Bhd., a private limited company incorporated in Malaysia for a consideration of RM2. JCY HDD Industries Sdn. Bhd. is currently dormant.

A14. CONTINGENT LIABILITIES

There were no changes in contingent liabilities since the previous Statement of Financial Position as at 30 September 2013 except as disclosed in note B10.

A15. RELATED PARTY TRANSACTIONS

| | 3 Months Ended | |
|--|---------------------|---------------------|
| | 31-Dec-15 RM'000 | 31-Dec-14 RM'000 |
| PCA Mahlin Technology Sdn. Bhd. - a company in which a director is the brother of the Company's substantial shareholder | | |
| - Rental of building | <u>300</u> | <u>300</u> |
| YK Technology (Foshan) Co., Ltd - a company in which a substantial shareholder has equity interest in a company in which a director is also the key management personnel | | |
| - Rental of building | <u>295</u> | <u>235</u> |

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

A16. MATERIAL EVENT SUBSEQUENT TO END OF CURRENT FINANCIAL QUARTER

Subsequent to current financial quarter end, the Group, via its wholly owned subsidiary, JCY HDD Technology Sdn. Bhd., entered into a Sales and Purchase Agreement to acquire a piece of leasehold land held under HS(D) 26391 PT 261 in the Mukim of 13, District of Seberang Perai Tengah, State of Pulau Pinang, and the factory building erected thereon, at the purchase consideration of RM23,000,000, with PCA Mahlin Technology Sdn. Bhd.

PCA Mahlin Technology Sdn. Bhd. is deemed to be a related party by virtue of its directors being also the directors of the subsidiaries of the Company and brothers of the substantial shareholder of the Company.

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

B1. REVIEW OF PERFORMANCE

| Segments | Revenue | | Net Profit / (Loss) | |
|--------------|----------------|----------------|---------------------|---------------|
| | 3 Months Ended | | 3 Months Ended | |
| | 31 Dec 15 | 31 Dec 14 | 31 Dec 15 | 31 Dec 14 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Malaysia | 486,051 | 456,483 | 35,275 | 61,692 |
| Thailand | 119,048 | 103,642 | 5,087 | (2,476) |
| Group | 528,155 | 487,868 | 41,395 | 50,187 |

Detailed Analysis for current quarter and cumulative period

The Group recorded a revenue of RM528.2 million for the reporting quarter, representing an increment of 8.3% compared to previous year's corresponding period. This was due mainly to the better average exchange rate of USD against Ringgit Malaysia in the reporting quarter, amid at a lower sales volume and a lower average selling price.

The Group recorded a net profit after tax of RM41.4 million for the reporting quarter, compared to net profit after tax of RM50.2 million in the previous year's corresponding period, the reduction of profit after tax was due mainly to the high exchange gain recorded in the previous year corresponding period, despite the improved gross profit achieved as a result of better operational efficiency in the reporting period.

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 RM528.2 million for the reporting quarter or an increase of 13.4% compared to RM465.9 million recorded in immediately preceding quarter ended 30 September 2015, this was due mainly to the higher average exchange rate of USD against Ringgit Malaysia and higher volume shipped during the reporting quarter.

The Group also recorded a profit before tax of RM43.8 million for the reporting quarter, compared to profit before tax of RM70.0 million reported in immediately preceding quarter ended 30 September 2015. The reduction of 37.4% in reporting profit before tax was due mainly to high exchange gain recorded in the immediate preceding quarter.

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

B3. FUTURE PROSPECT

The global demand for HDD products continues to face a very challenging global economic environment. Based on independent outlook forecasts, the total addressable market (TAM) is unlikely to increase in the near future.

Despite the gradual decline of TAM, we continue to benefit from the relative strength of the United States Dollar against the Malaysian Ringgit, and will also strive to leverage our operational efficiency and economies of scale to achieve reasonable returns from our business.

Barring unforeseen production and market changes, we expect also to maintain our market shares for the near future.

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 25% (2014: 25%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Certain subsidiaries of the Group enjoy tax exemptions from the relevant authorities on their business income for current and future periods. The computation of deferred tax as at 31 December 2015 has reflected the effects of such exemptions.

| | 3 Months Ended 31 Dec 15 RM'000 | 3 Months Ended 31 Dec 14 RM'000 |
|---------------------------------------|--|--|
| Current year tax | 1,686 | - |
| Relating to temporary tax differences | <u>796</u> | <u>860</u> |
| | <u><u>2,482</u></u> | <u><u>860</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.

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

B7. STATUS OF CORPORATE PROPOSALS

On 02 February 2016, the Company announced that a Sales and Purchase Agreement had been entered into between PCA Mahlin Technology Sdn. Bhd. ("PCA") and JCY HDD Technology Sdn. Bhd. ("JCY HDD"), a wholly-owned subsidiary of the Company, for the purchase of all that piece of leasehold land held under HS(D) 26391 PT 261 in the Mukim of 13, District of Seberang Perai Tengah, State of Pulau Pinang, and the factory building erected thereon.

As of the date of this report, PCA had submitted the application to obtain the State Authority Approval for the transaction, no approval has yet been received.

B8. BORROWING AND DEBT SECURITIES

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 31 December 2015.

| | As At 31 Dec 15 RM'000 | As At 30 Sep 15 RM'000 |
|------------------------------|------------------------------|------------------------------|
| Short Term Borrowings | | |
| Foreign currency trade loans | 99,077 | 110,636 |
| Bills payable | 21,584 | 27,931 |
| Total short term borrowings | <u>120,661</u> | <u>138,567</u> |

All the above borrowings are unsecured.

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 2013, save for:-

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") 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.

Currently, 4 consolidated appeals to the Federal Court dealing with similar issues as in this case is fixed for hearing on 11 April 2016.

There will be no significant financial impact arising from the case as the major shareholder of the Company has undertaken to indemnify the Company for any claim awarded.

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

B11. DIVIDENDS

| | In Respect of | |
|--|---|--|
| | Financial Year Ending 30 Sep 16 RM'000 | Financial Year Ended 30 Sep 15 RM'000 |
| Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,035,475,300 ordinary shares (excluding Treasury Shares), declared on 13 February 2015 and paid on 06 April 2015 | | 25,443 |
| Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,044,464,300 ordinary shares (excluding Treasury Shares), declared on 20 May 2015 and paid on 08 July 2015 | | 25,556 |
| Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,046,727,300 ordinary shares (excluding Treasury Shares), declared on 19 Aug 2015 and paid on 09 Oct 2015 | | 25,584 |
| Single Tier Interim Dividend of 3 sen per ordinary share on 2,059,720,300 ordinary shares (excluding Treasury Shares), declared on 23 Nov 2015 and paid on 08 Jan 2016* | | 61,792 |

The Board has further resolved to declare a Single Tier Tax Exempt First Interim Dividend for the financial year ending 30 September 2016 of 1.25 sen per share or 5.0% on 26 February 2016 with the entitlement date and payable date to be determined in due course.

* Being dividend declared for the results of financial year ended 30 September 2015, but paid and recognised in financial year ending 30 September 2016

B12. EARNINGS PER SHARE

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

| | 3 months Ended | | Cumulative 3 months Ended | |
|--|----------------|-----------|---------------------------|-----------|
| | 31 Dec 15 | 31 Dec 14 | 31 Dec 15 | 31 Dec 14 |
| Net Profit (RM '000) | 41,395 | 50,187 | 41,395 | 50,187 |
| Weighted average number of ordinary shares (excluding Treasury Shares) ('000) | 2,052,837 | 2,031,980 | 2,052,837 | 2,031,980 |
| Basic earnings per share (Sen) | 2.02 | 2.47 | 2.02 | 2.47 |
| Diluted weighted average no. of ordinary shares (excluding Treasury Shares) ('000) | 2,065,593 | 2,068,033 | 2,065,593 | 2,068,033 |
| Diluted earnings per share (Sen) | 2.00 | 2.43 | 2.00 | 2.43 |

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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 | | Cumulative 3 months Ended | |
|--|----------------|---------------|---------------------------|---------------|
| | 31 Dec 15 | 31 Dec 14 | 31 Dec 15 | 31 Dec 14 |
| After charging:- | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest Expense | 377 | 352 | 377 | 352 |
| Depreciation and Amortization | 25,720 | 26,133 | 25,720 | 26,133 |
| Foreign Exchange Loss (Net) | 1,539 | - | 1,539 | - |
| Loss on disposal of property, plant and equipment (Net) | - | - | - | - |
| Property, plant and equipment written-off | 337 | - | 337 | - |
| Inventory written down to NRV and obsolete inventory written-off | - | - | - | - |
| Derivative losses | 2,869 | - | 2,869 | - |
| After crediting:- | | | | |
| Interest Income | 1,226 | 1,063 | 1,226 | 1,063 |
| Other Income | 1,018 | 396 | 1,018 | 396 |
| Foreign Exchange Gain (Net) | - | 16,684 | - | 16,684 |
| Gain on disposal of property, plant and equipment (Net) | 5 | - | 5 | - |

There were no provision for and write off of receivables, gain or loss on disposal of quoted or unquoted investments, impairment of assets and exceptional items for the current quarter under review and cumulative period ended 31 December 2015.

B14. DISCLOSURE ON REALISED AND UNREALISED PROFITS / LOSSES

| | As at | |
|---|----------------|----------------|
| | 31 Dec 15 | 30 Sep 15 |
| | RM'000 | RM'000 |
| Retained earnings of the Company and its subsidiaries : | | |
| - Realised Profit | 693,115 | 656,320 |
| - Unrealised Profit / (Loss) | 12,836 | 77,388 |
| | <u>705,951</u> | <u>733,708</u> |
| Less: Consolidation adjustments | (26,536) | (33,896) |
| Retained earnings per financial statements | <u>679,415</u> | <u>699,812</u> |

By Order of the Board

Company Secretary
26 February 2016