

JCET's Global Manufacturing Strategy Produces Records for Revenue and Profit in Q3

Q3 2020 Financial Highlights:

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About JCET Group:

ASSETS	As of	
	Sep 30, 2020	Dec 31, 2019
Current assets		
Currency funds	2,248	2,569
Derivative financial assets	3	4
Accounts receivable	3,851	3,350
Receivables financing	85	68
Prepayments	201	188
Other receivables	11	11
Inventories	3,138	2,731
Current portion of non-current assets	56	137
Other current assets	194	501
Total current assets	9,787	9,559
Non-current assets		
Long-term receivables	30	40
Long-term equity investments	941	972
Other equity investments	491	517
Investment properties	97	100
Fixed assets	17,970	17,799
Construction in progress	1,176	1,664
Intangible assets	556	587
Goodwill	2,159	2,214
Long-term prepaid expenses	0	1
Deferred tax assets	124	128
Other non-current assets	1	1
Total non-current assets	23,545	24,023
Total assets	33,332	33,582

LIABILITIES AND EQUITY	As of	
	Sep 30, 2020	Dec 31, 2019
Current liabilities		
Short-term borrowings	5,797	9,098
Derivative financial liabilities	42	161
Notes payable	487	958
Accounts payable	5,212	4,618
Receipts in advance	0	113
Contract liabilities	30	0
Employee benefits payable	777	586
Taxes and surcharges payable	116	53
Other payables	217	235
Current portion of long-term liabilities	2,510	1,827
Total current liabilities	15,188	17,649
Non-current liabilities		
Long-term borrowings	2,680	1,585
Bonds payable	1,022	0
Long-term payables	714	1,216
Long-term employee benefits payable	2	1
Deferred income	365	337
Deferred tax liabilities	158	156
Total non-current liabilities	4,941	3,295
Total liabilities	20,129	20,944
Equity		
Paid-in capital	1,603	1,603
Surplus reserves	10,242	10,242
Accumulated other comprehensive income	232	429
Specialized reserves	122	122
Unappropriated profit	994	231
Total equity attributable to owners of the parent	13,193	12,627
Minority shareholders	10	11
Total equity	13,203	12,638
Total liabilities and equity	33,332	33,582

	Three months ended		Nine months ended	
	Sep 30, 2020	Sep 30, 2019	Sep 30, 2020	Sep 30, 2019
Revenue	6,787	7,047	18,763	16,196
Less: Cost of sales	5,631	6,209	15,863	14,507
Taxes and surcharges	11	9	28	26
Selling expenses	59	71	175	199
Administrative expenses	252	265	687	814
Research and development expenses	277	227	768	576
Finance expenses	179	223	482	657
Including: Interest expenses	131	220	433	589
Interest income	12	7	31	20
Add: Other income	17	31	97	217
Investment income / (loss)	(1)	5	(8)	1
Including: Income / (loss) from investments in associates and joint ventures	(1)	5	(8)	2
Gain / (loss) on the net position hedging	6	0	1	0
Gain / (loss) on changes in fair value of financial assets	28	0	28	0
Credit impairment (loss is expressed by "-")	(1)	2	(7)	(6)
Asset impairment (loss is expressed by "-")	0	(1)	(25)	(15)
Gain / (loss) on disposal of assets	33	7	42	14
Operating profit / (loss)	460	87	888	(372)
Add: Non-operating income	3	0	3	1
Less: Non-operating expenses	10	0	18	4
Profit / (loss) before income taxes	453	87	873	(375)
Less: Income tax expenses	55	10	108	(194)
Net profit / (loss)	398	77	765	(181)
Classified by continuity of operations				
Profit / (loss) from continuing operations	398	77	765	(181)
Classified by ownership				
Net profit / (loss) attributable to owners of the parent	398	77	764	(182)
Net profit / (loss) attributable to minority shareholders	0	0	1	1
Add: Unappropriated profit at beginning of period	598	(116)	231	143

	Three months ended		Nine months ended	
	Sep 30, 2020	Sep 30, 2019	Sep 30, 2020	Sep 30, 2019
Other comprehensive income, net of tax	(354)	241	(197)	199
Comprehensive income attributable to owners of the parent	(354)	241	(197)	199
Comprehensive income not be reclassified to profit or loss	(10)	0	(10)	0
Change in the fair value of other equity investments	(10)	0	(10)	0
Comprehensive income to be reclassified to profit or loss	(344)	241	(187)	199
Comprehensive income using the equity method	0	0	0	0
Cash flow hedge reserve	(1)	(1)	1	4
Exchange differences of foreign currency financial statements	(343)	242	(188)	195
Total comprehensive income	42	318	567	18
Including:				
Total comprehensive income attributable to owners of the parent	42	318	566	17
Total comprehensive income attributable to minority shareholders	0	0	1	1
Earnings per share				
Basic earnings per share	0.25	0.05	0.48	(0.11)
Diluted earnings per share	0.25	0.05	0.48	(0.11)

	Three months ended		Nine months ended	
	Sep 30, 2020	Sep 30, 2019	Sep 30, 2020	Sep 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from the sale of goods and the rendering of services	6,468	6,695	19,360	16,651
Receipts of taxes and surcharges refunds	105	139	528	297
Other cash receipts relating to operating activities	244	69	767	277
Total cash inflows from operating activities	6,817	6,903	20,655	17,225
Cash payments for goods and services	4,241	5,200	13,584	12,376
Cash payments to and on behalf of employees	856	911	2,644	2,699
Payments of all types of taxes and surcharges	81	173	313	411
Other cash payments relating to operating activities	159	74	482	377
Total cash outflows from operating activities	5,337	6,358	17,023	15,863
Net cash flows from operating activities	1,480	545	3,632	

	Three months ended		Nine months ended	
	Sep 30, 2020	Sep 30, 2019	Sep 30, 2020	Sep 30, 2019
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash receipts from borrowings	1,418	2,350	9,950	10,843
Other cash receipts relating to financing activities	0	1,103	0	1,880
Total cash inflows from financing activities	1,418	3,453	9,950	12,723
Cash repayments for debts	2,311	3,407	10,452	12,613
Cash payments for distribution of dividends or profit and interest expenses	120	232	425	669
Other cash payments relating to financing activities	206	51	491	766
Total cash outflows from financing activities	2,637	3,690	11,368	14,048
Net cash flows from financing activities	(1,219)	(237)	(1,418)	(1,325)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(48)	37	(33)	43
NET INCREASE IN CASH AND CASH EQUIVALENTS	(469)	(213)	190	(1,907)
Add: Cash and cash equivalents at beginning of period	2,525	2,512	1,866	4,206