



**JIANKUN INTERNATIONAL BERHAD**  
(Registration No. 198301015973 (111365-U))  
**(Incorporated in Malaysia)**

**Interim Financial Report**  
**31 December 2022**

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**- For the quarter ended 31 December 2022**

	Individual Current Year Quarter 31-Dec-22 RM'000	Preceding Year Quarter 31-Dec-21 RM'000	Cumulative Current Year To date 31-Dec-22 RM'000	Preceding Year To date 31-Dec-21 RM'000
<b>Revenue</b>	1,947	26,782	11,920	59,940
Cost of Sales	(906)	(12,141)	(9,801)	(39,534)
<b>Gross Profit</b>	1,041	14,641	2,119	20,406
Other Income	221	326	302	620
Selling and marketing expenses	(76)	(57)	(80)	(114)
Administrative expenses	(4,089)	(8,488)	(10,556)	(12,123)
Other operating expenses	(10,019)	(4,245)	(10,019)	(4,245)
Operating profit / (loss)	(12,922)	2,177	(18,234)	4,544
Interest income	-	-	-	-
Finance costs	(55)	1	(229)	(7)
<b>Profit / (loss) before taxation</b>	(12,977)	2,178	(18,463)	4,537
Taxation	1,870	(2,164)	1,870	(2,386)
Net profit/(loss) for the period	(11,107)	14	(16,593)	2,151
<b>Other comprehensive income after tax:</b>				
Net currency translation differences	1,041	(50)	1,191	676
<b>Other comprehensive income for the period, net of tax</b>	1,041	(50)	1,191	676
<b>Total comprehensive income for the period</b>	(10,066)	(36)	(15,402)	2,827
<b>Net profit/(loss) attributable to:</b>				
- Owners of the parent	(11,107)	14	(16,592)	2,151
- Minority interest	(1)	-	(1)	-
	(11,108)	14	(16,593)	2,151
<b>Total comprehensive income attributable to:</b>				
- Owners of the parent	(10,066)	(36)	(15,401)	2,827
- Minority interest	(1)	-	(1)	-
	(10,067)	(36)	(15,402)	2,827
<b>Earnings per share attributable to the owner of the Company (sen) attributable to owners of the parent</b>				
-Basic (sen)	(5.20)	0.01	(7.76)	1.27
-Diluted (sen)	(5.20)	0.01	(7.76)	1.23

*The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**- As at 31 December 2022**

	<b>31-Dec-22 (Unaudited) RM'000</b>	<b>31-Dec-21 (Audited) RM'000</b>
<b><u>ASSETS</u></b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	760	622
Right of Use Assets	4,075	-
Investment properties	24,135	27,654
	<u>28,970</u>	<u>28,276</u>
<b>Current Assets</b>		
Inventories	42,406	28,177
Trade Receivables	8,507	7,299
Contract Assets	-	45,415
Other Receivables	30,356	6,593
Tax Recoverable	1,120	385
Fixed deposit with license bank	3,977	3,830
Cash & Bank Balances	13,826	2,447
	<u>100,192</u>	<u>94,146</u>
<b>TOTAL ASSETS</b>	<b><u>129,162</u></b>	<b><u>122,422</u></b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to owners of the Company</b>		
Share Capital	70,734	41,641
Reserves	23,639	39,097
Minority Inte	310	-
<b>Total Equity</b>	<u>94,683</u>	<u>80,738</u>
<b>Non Current Liabilities</b>		
Bank Borrowing	4,600	-
Deferred Taxation	6,475	8,623
	<u>9,982</u>	<u>8,623</u>
<b>Current Liabilities</b>		
Trade Payables	2,614	1,792
Contract liabilities	3,145	-
Other Payables & Accruals	18,738	30,070
Provision for Taxation	-	1,199
	<u>24,497</u>	<u>33,061</u>
<b>Total Liabilities</b>	<u>34,479</u>	<u>41,684</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>129,162</u></b>	<b><u>122,422</u></b>
Net assets per share (RM)	0.44	0.38

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

- For the quarter ended 31 December 2022

	< ----- Non-distributable ----- >				Distributable			Total
	Share Capital	Foreign Exchange Translation Reserve	Share Issuance Scheme Reserve	Warrant Reserve	Retained Profit	Attributable to Shareholder of Holding Company	Minority Interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 January 2022	41,641	4,547	2,114	-	32,436	80,738	-	80,738
Effect on consolidation	-	-	-	-	-	-	311	311
	41,641	4,547	2,114	-	32,436	80,738	311	81,049
Profit for the period	-	-	-	-	(16,592)	(16,592)	(1)	(16,593)
Foreign exchange translation reserve	-	1,191	-	-	-	1,191	-	1,191
Total comprehensive (loss) / income for the period	-	1,191	-	-	(16,592)	(15,401)	(1)	(15,402)
Transaction with owners:								
Issuance of shares pursuant to share Issuance Scheme	2,114	-	(2,114)	-	-	-	-	-
Granted of SIS option	-	-	2,057	-	-	2,057	-	2,057
Issuance of shares pursuant to share Issuance Scheme	26,979	-	-	-	-	26,979	-	26,979
	29,093	-	(57)	-	-	29,036	-	29,036
Balance as at 31 December 2022	70,734	5,738	2,057	-	15,844	94,373	310	94,683

	< ----- Non-distributable ----- >				Distributable			Total
	Share Capital	Foreign Exchange Translation Reserve	Share Issuance Scheme Reserve	Warrant Reserve	Retained Profit	Attributable to Shareholder of Holding Company	Minority Interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 January 2021	45,291	3,871	-	13,377	(2,658)	59,881	-	59,881
Net profit for the period	-	-	-	-	2,151	2,151	-	2,151
Foreign exchange translation reserve	-	676	-	-	-	676	-	676
Total comprehensive (loss)/income for the fi	-	676	-	-	2,151	2,827	-	2,827
Transaction with owners:								
Issuance of ordinary shares:								
- private placement	12,687	-	-	-	-	12,687	-	12,687
- expenses on private placement	(210)	-	-	-	-	(210)	-	(210)
- exercise of warrants	5,373	-	-	(1,934)	-	3,439	-	3,439
- warrant expired	-	-	-	(11,443)	11,443	-	-	-
Grant of SIS options	-	-	2,114	-	-	2,114	-	2,114
Share capital reduction	(21,500)	-	-	-	21,500	-	-	-
	(3,650)	-	2,114	(13,377)	32,943	18,030	-	18,030
Balance as at 31 December 2021	41,641	4,547	2,114	-	32,436	80,738	-	80,738

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
- For the quarter ended 31 December 2022

	Year Ended 31-Dec-22 RM'000	Year Ended 31-Dec-21 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	(18,463)	4,537
Adjustment for:		
Depreciation	419	255
Bad Debts written off	-	
Provision for impairment	-	4,245
Gain on termination of lease contract	-	(11)
Impairment loss on goodwill	-	2,400
Share based expenses	2,057	2,114
Finance costs	56	7
Gain on unrealised forex	-	(1,869)
Finance income	(115)	(133)
Revaluation of investment properties	3,876	3,077
Operating profit/(loss) before working capital changes	<u>(12,170)</u>	<u>14,622</u>
(Increase)/Decrease in Inventories	(7,993)	(10,925)
(Increase)/Decrease in trade receivables	39,624	(1,898)
(Increase)/Decrease in other receivables	(23,792)	(4,897)
(Decrease)/Increase in trade payables	(5,188)	(3,358)
(Decrease)/Increase in other payables	(3,261)	12,436
(Decrease)/Increase due to directors	-	(21)
(Increase)/Decrease in contract Assets	-	(32,434)
Net cash generated from/(used in) operating activities	<u>(12,780)</u>	<u>(26,475)</u>
Interest paid	(56)	(7)
Interest received	115	133
Tax refund	-	204
Tax paid	<u>(2,820)</u>	<u>(2,595)</u>
	<u>(15,541)</u>	<u>(28,740)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(4,637)	(552)
Net cash received / (used) in investing activities	<u>(4,637)</u>	<u>(552)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown / (Repayment) of bank borrowing (net)	3,507	-
Drawdown/(Repayment) of right of use assets	-	(191)
Proceed from issuance of share	26,979	15,916
Decrease / (Increase) in fixed deposit place with license bank	(127)	-
Net cash generated / (used) from financing activities	<u>30,359</u>	<u>15,725</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	10,181	(13,567)
EFFECT ON TRANSLATION DIFFERENCES	1,191	892
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	2,452	15,122
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<u><b>13,824</b></u>	<u><b>2,447</b></u>
<b>Cash and cash equivalents comprise:-</b>		
Fixed deposit with licensed bank	3,977	3,830
Housing development accounts	7,180	300
Cash and bank balance	<u>6,644</u>	<u>2,147</u>
	17,801	6,277
Less: Fixed deposit pledged with licensed bank	<u>(3,977)</u>	<u>(3,830)</u>
	<u><b>13,824</b></u>	<u><b>2,447</b></u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

- For the quarter ended 31 December 2022

**Part A – Explanatory Notes Pursuant to MFRS 134**

**A1. Basic Of Preparation**

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting, International Accounting Standard (“IAS”) 34, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The financial statements of the Group have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies.

**A2. Changes in Accounting Policies**

Basis of accounting

The accounting policies and methods of computation adopted by the Group in this interim financial report are prepared in accordance with MFRSs effective for annual periods beginning on 1 January 2022 and the amendment to MFRSs effective on or after 1 January 2022.

The Group adopted the following Amendments to Standards:

Amendments to MFRS 16	Covid-19 - Related Rent Concessions	30 June 2021	1 April 2021
Amendments to MFRS 3	Reference to the Conceptual Framework		1 January 2022
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
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020		1 January 2022

**Standards issued but not yet effective**

At the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group.

Description	Effective date for financial periods beginning on or after	
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 108	Presentation of Financial Statements	2 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The adoption of new MFRS and amendments do not have any material effect on the financial statements

**A3. Declaration of Qualification of Audit Report**

There was no qualification in the audited financial report for the year ended 31 December 2021.

**A4. Seasonality or Cyclicity of Operations**

The Group's operations are not subject to seasonal or cyclical factors.

**A5. Nature and Amounts of Unusual Items**

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows during the quarter under review.

- For the quarter ended 31 December 2022

**Part A – Explanatory Notes Pursuant to MFRS 134**

**A6. Nature and Amount of Changes in Estimates**

There were no changes in estimates that have had a material effect in the current financial quarter-to-date results.

**A7. Issuances or Repayment of Debt and Equity Securities**

During the current quarter under review, there is no issuance of equity securities for the company.

**A8. Dividends**

There was no dividend being proposed or paid for this quarter.

**A9. Segmental Information**

For management purposes, the Group is organised into business units based on their products and services, and has three reportable segments as follows:

Property development and construction	Develop and provides construction services for residential, industrial and commercial property.
Project management and advisory	Provides project management services for residential, industrial and commercial property development.
Property management and investment holding	Provision of management, marketing and consultancy services.

The Group Executive Committee assesses the performance of the operating segments based on operating profit or loss which is measured differently from those disclosed in the consolidated financial statements.

Group financing (including finance costs) and income tax are managed on a group basis and are not allocated to operating segments.

The Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.



- For the quarter ended 31 December 2022

Part A – Explanatory Notes Pursuant to MFRS 134

A9. Segmental Information (cont.)

Group

	Project management and advisory	Property development and construction	Property management and investment holding	Total segments	Adjustments and elimination	Total operation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>31 December 2022</b>						
<b>Revenue</b>						
External customers	-	9,140	99	9,239	2,681	11,920
Inter-segment	-	-	-	-	-	-
Total revenue	-	9,140	99	9,239	2,681	11,920
<b>Result</b>						
Interest income	-	261	1	262	-	262
Profit / (loss) before taxation	-	(14,732)	(9,486)	(24,218)	5,755	(18,463)
Taxation	-	(636)	2,506	1,870	-	1,870
Segment profit / (loss)	-	(15,368)	(6,980)	(22,348)	5,755	(16,593)

	Project management and advisory	Property development and construction	Property management and investment holding	Total segments	Adjustments and elimination	Total operation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Assets</b>						
Segmental assets	-	80,588	68,015	148,603	(19,441)	129,162
Including in the measurement of assets are:						
Capital expenditure relating to:						
- property, plant and equipment	-	4,637	-	4,637	-	4,637
<b>Liabilities</b>						
Segment liabilities	-	25,410	6,669	32,079	2,400	34,479
<b>Other non-cash item</b>						
Depreciation of:						
- properties, plant and equipment	-	(199)	(1)	(200)	-	(200)

- For the quarter ended 31 December 2022

Part A – Explanatory Notes Pursuant to MFRS 134

A9. Segmental Information (cont.)

Group	Project management and advisory	Property development and construction	Property management and investment holding	Total segments	Adjustments and elimination	Total operation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>31 December 2021</b>						
<b>Revenue</b>						
External customers		59,815	125	59,940	-	59,940
Inter-segment		17,869	-	17,869	(17,869)	-
Total revenue	-	77,684	125	77,809	(17,869)	59,940
<b>Result</b>						
Finance income	-	134	1	135	-	135
Interest expenses	-	(7)	-	(7)	-	(7)
Profit / (loss) before taxation	-	15,458	(9,914)	5,544	(1,007)	4,537
Taxation	-	(3,433)	1,046	(2,387)	-	(2,387)
Segment profit / (loss)	-	12,025	(8,868)	3,157	(1,007)	2,150
<b>Assets</b>						
Segment assets		83,335	107,699	191,034	(68,612)	122,422
Including in the measurement of assets are:						
Capital expenditure relating to:						
- property, plant and equipment	-	552	-	552	-	552
<b>Liabilities</b>						
Segment liabilities	-	49,349	39,107	88,456	(46,772)	41,684
<b>Other non-cash item</b>						
Depreciation of property,						
- plant and equipment	-	52	2	54	-	54
- right of use assets	-	202	-	202	-	202

A10. Changes in the composition of the Group

There were no changes in the composition of the Group for the period under review.

A11. Changes in the contingent liabilities

There were no contingent liabilities at the end of the quarter.

A12. Significant related party transactions

Saved for the related party transactions involving Dato' Saiful Nizam Bin Mohd Yusoff as disclosed below. There was no other material related party transactions for the current quarter and financial year-to-date.

- a) On 26 January 2022, the Company had entered into a Joint Venture Agreement ("JVA") with Menara Rezeki Sdn. Bhd. to develop the mixed residential and retail development in 3 phases at Jalan Tun Razak, Kampung Baru, Wilayah Persekutuan on a leasehold land measuring approximately 3.69 acres in area. The JVA was subsequently mutually terminated on 11 April 2022.

On 16 June 2022, the Company re-entered into Joint Venture Agreement ("JVA") with Menara Rezeki Sdn. Bhd. ("MRSB") ("collectively referred to as the "Parties"), utilizing a company known as Menara Rezeki Properties Sdn. Bhd. ("MRPSB") as a joint venture company ("JVC") for the purpose of developing a project known as mixed residential and retail development ("Proposed Joint Venture") comprising of Phase 1, Phase 2 and Phase 3 or by such name as approved by the relevant authorities, comprising all the properties for the phases based on the proposed layout plan ("Project") on the leasehold lands.

**JIANKUN INTERNATIONAL BERHAD (Registration No. 198301015973 (111365-U))**

**- For the quarter ended 31 December 2022**

**Part A – Explanatory Notes Pursuant to MFRS 134**

**A13. Capital Commitments**

**Provided for:**

	<b>RM'000</b>
Fivestar Development (Puchong) Sdn Bhd	11,731
Encik Muhammad Shafiq Bin Jamuri and Encik Mohd Yusof Bin Abu Hassan	4,165
	<u>15,896</u>

Save for the above material capital commitments, there is no other material capital commitments under the quarter review.

**A14. Significant Events and Transactions**

- a) On 17 January 2022, that the Company entered into a Heads of Agreement with 5G Infra Tech Solution Sdn Bhd (Formerly known as NMS Engineering Sdn Bhd) to invest through redeemable convertible preference shares ("RCPS") led by SMTrack in 5G Infra Tech.

On 25 November 2022, The Board of Directors of Jiankun International Berhad ("Jiankun" or "the Company") wishes to announce that Jiankun as one of the Consortium Party mutually agreed to extend the conditional period for a period of six (6) months up to 24 May 2023 to fulfil the conditions precedent and to enter into a definitive agreement between the Parties.

Save for the above material capital commitments, there is no other material significant events and transactions under the quarter review.

**JIANKUN INTERNATIONAL BERHAD (Registration No. 198301015973 (111365-U))**

**- For the quarter ended 31 December 2022**

**Part A – Explanatory Notes Pursuant to MFRS 134**

On 27 July 2022, the Company announce that the Company proposes to undertake a private placement of up to 98,000,000 new ordinary shares in Jiankun, representing approximately 40% of the total number of issued shares of Jiankun to independent third-party investor(s) to be identified later at an issue price to be determined later ("Proposed Private Placement")

Bursa Securities had, vide its letter dated 5 August 2022, approved the listing and quotation of up to 98,000,000 new ordinary shares to be issued pursuant to the Proposed Private Placement

14 December 2022, the Company had been issued 98,000,000 shares.

Save for the above subsequent events, there is no other material subsequent event under the quarter review.

- For the quarter ended 31 December 2022

**PART B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB**

**B1. Review of Group Performance**

	Individual Quarter			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year To-date	Preceding year Corresponding Period	Changes
	31-Dec-22 RM'000	31-Dec-21 RM'000	RM'000	31-Dec-22 RM'000	31-Dec-21 RM'000	RM'000
Revenue	1,947	26,782	(24,835)	11,920	59,940	(48,020)
Gross (loss) / profit	1,041	14,641	(13,600)	2,119	20,406	(18,287)
Other incomes	221	326	(105)	302	620	(318)
Profit / (loss) before tax	(12,977)	2,178	(15,155)	(18,463)	4,537	(23,000)
Profit / (loss) after tax	(11,107)	14	(11,121)	(16,593)	2,151	(18,744)

**Performance of the current quarter against the same quarter in the preceding year.**

For individual quarter

The revenue recorded for 4th quarter 2022 was RM1.947 million was mainly derived from construction contract for One Le Tower and balance recognition for Amani Residences project, however the revenue of RM26.788 million in year 2021 was derived from Amani Residences project. The Group recorded a loss before tax of RM112.977 million as compare with a profit before tax of RM2.178 million. The main reason for the loss was due to the follow expenditure:

- i) Share based payment of RM2.057 million.
- ii) Revaluation loss of investment properties of RM4.962 million.
- iii) Impairment of goodwill of RM4.998 million derived from consolidation of Embon Global Venture Sdn. Bhd. and Menara Rezeki Properties Sdn. Bhd.

The revaluation loss of investment properties of RM4.962 million has cause a write back of deferred tax of RM2.481 million.

For cumulative quarter

The revenue recorded for year ended 31 December 2022 was RM11.920 million, the revenue was mainly derived from the remainder revenue on the completion and delivered vacant possession of Amani Residences project. The Group recoded a loss of before tax of RM18.572 million as compare with year 2021 a profit before tax of RM4.537 million.

Beside the share based payment, revaluation loss on investment properties and impairment of goodwill from consolidation of investment in subsidiary companies, the Group also incurred additional stamping duties, legal and professional expenses.

**B2. Comparison with Preceding Quarter's Results**

	Current Quarter	Immediate Preceding Quarter	Changes
	31-Dec-22 RM'000	30-Sep-22 RM'000	RM'000
Revenue	1,947	112	1,835
Gross (loss) / profit	1,041	1	1,040
Profit / (loss) before tax	(12,977)	(2,200)	(10,777)
Profit / (loss) after tax	(11,107)	(2,200)	(8,907)

For comparison with current quarter and preceding quarter the revenue increased by RM1.947 million was mainly derived from One Le Tower construction work and balance of revenue recognised from Amani Residences project. The loss before tax is RM12.977 million higher was main to the follow expenditure:

- i) Share based payment of RM2.057 million.
- ii) Revaluation loss of investment properties of RM4.962 million.
- iii) Impairment of goodwill of RM4.998 million derived from consolidation of Embon Global Venture Sdn. Bhd. and Menara Rezeki Properties Sdn. Bhd.

The revaluation loss of investment properties of RM4.962 million has cause a write back of deferred tax of RM2.481 million and reported a loss after tax of RM9.677 million.

- For the quarter ended 31 December 2022

**PART B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB**

**B3. Future Prospects**

After the completion of the Amani Residences Service Apartment development, the Group has been actively sourcing for suitable land for future developments. In this regard, the Group had:

- (i) completed the acquisition of a leasehold land measuring approximately 18,387 square meters situated at Pekan Klebang Sek. II, Daerah Tengah, Melaka from Cash Support for a purchase consideration of RM13.0 million. The aforesaid land has been earmarked for the development of a hotel and 2 blocks of 20-storey service apartments and expected to commence development by the fourth quarter of 2022;
- (ii) entered into a reclamation and development agreement with the State Government of Melaka for the reclamation concession rights of a parcel of land measuring 30 acres located at Daerah Tengah Melaka. As at the LPD, the Company is in the midst of converting the zoning of the aforesaid land to commercial prior to commencing the reclamation process; and
- (iii) completed the acquisition of Limpah Restu Development Sdn Bhd ("**Limpah Restu**") for a cash consideration of RM10.0 million. The said acquisition would allow Jiankun to gain immediate access to the landbank of Limpah Restu at the district of Kinta, Perak, which is earmarked for the development of private crematorium and columbarium.

Moving forward, the Group will continue to focus on its core business by sourcing for suitable landbank for future developments. The proceeds from the Proposed Private Placement is expected to provide the Group with the necessary funding to embark on the One Le Tower project, which is expected to contribute positively to the financial performance and financial position of the Group.

Premised on the above and after having considered all the relevant aspects including the overview of the Malaysian property and construction industry, the Board is cautiously optimistic of the future prospects of the Group.

**B4. Variance on Profit Forecast / Profit Guarantee**

The Group has not announced or disclosed any profit forecast in public documents.

**B5. Taxation**

The tax charge relates principally to the current quarter's profit made by certain profitable subsidiary companies which cannot be offset against the losses of other subsidiary companies within the Group.

The tax charge for the Group is as follows:-

	31-Dec-22 RM'000	31-Dec-21 RM'000
Current tax	636	3,628
Under provision in prior year	-	(195)
Deferred tax	(2,506)	(1,047)
	<u>(1,870)</u>	<u>2,386</u>

**B6. Profit/Loss on Sale of Unquoted Investments and/or Properties**

There was no profit or loss on sale of unquoted investment and/or properties for the quarter under review.

**B7. Purchase or Disposal of Quoted Securities**

There was no purchases or disposals of quoted securities by the Group for the quarter under review.

- For the quarter ended 31 December 2022

**PART B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB**

**B8. Status of corporate proposals and utilisation of proceeds**

On 8 February 2021, the Board of Directors had received the approval from Bursa Securities Malaysia Berhad for the proposed establishment of a Share Issuance Scheme ("SIS") of up to 15% of the total number of issued shares of Jiankun (excluding Treasury Shares, if any) for eligible directors and employees of the Company and its subsidiaries ("Proposed SIS").

For the quarter review, 31,180,800 SIS has exercised their rights to convert the SIS into shares of the Company, RM8.419 million was raised and the utilisation of proceeds as follows:

<b>Utilisation of proceeds</b>	<b>Amount RM'000</b>
(i) 18,387 square meters situated at Pekan Klebang Sek. II, Daerah Tengah, Melaka	5,300
	<u>5,300</u>

**B9. Group Borrowings**

There was no bank borrowings for the quarter under review.

**B10. Off Balance Sheet Financial Instruments**

There was no off balance sheet financial instruments by the Group for the quarter under review.

**B11. Material Litigation**

Save as disclosed below, the Group is not involved in any material litigation.

**(i) Kuala Lumpur High Court Civil Suit No.: WA-22NCVC-528-07/2021 between Nagamas Venture Sdn Bhd ("NVSB") and Silverland Capital Sdn Bhd ("SCSB")**

On 28 July 2021, NVSB, a wholly-owned subsidiary of Jiankun, commenced this suit against SCSB seeking among others, the following:

- (a) that SCSB pays to NVSB the sum of RM4,400,000.00;
- (b) in the alternative of (a) above, that SCSB shall transfer and/or cause the registration of ownership and title of the property units in Silverlakes Brands
- (c) interest at the rate of 5% per annum on the judgment sum and costs.

NVSB's claim is premised on the alleged failure of SCSB in paying NVSB the agreed compensation sum in full following the termination of the Project Delivery Agreement executed between the parties.

On 22 December 2021, NVSB filed an application for summary judgment of its claim ("SJ Application"). The SJ Application was dismissed on 28 July 2022 and this matter has been ordered to proceed for trial.

The Court has fixed Enclosure 37 (Defendant's Striking Out Application) for Decision (Zoom) on 07.03.2023 at 9:00am.

- For the quarter ended 31 December 2022

**PART B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB**

- (ii) **Kuala Lumpur High Court Judicial Review Application No.: WA-25-405-06/2022 between Chan Sei Yong, Lionel Khoo Tiong Giaw and Fu Sek Jin (collectively, the "Applicants") and Ministry of Urban Wellbeing, Housing and Local Government ("R1"), Controller of Housing of the Ministry of Urban Wellbeing, Housing and Local Government ("R2") and JKI Development Sdn Bhd (a wholly-owned subsidiary of Jiankun) ("R3") (collectively, the "Respondents")**

On 17 June 2022, the Applicants filed an application for Judicial Review ("JR Application") seeking among others, the following reliefs:

- (a) that the Applicants be given leave to apply for an extension of time to file this JR Application;
- (b) that the Applicants be given leave to apply for a Certiorari Order to revoke the decision of R2 vide its letter dated 24 February 2017 ("R2 Letter") in amending the time period for delivery of vacant possession from 36 months to 48 months in respect of the Sale and Purchase Agreement (Schedule H) signed between R3 and the Applicants as buyers of the Amani Residence in Puchong ("SPA");
- (c) that the Applicants be given leave to apply for a Certiorari Order to revoke the decision of R1 vide its letter dated 11 March 2022 ("R1 Letter") in granting a waiver period of 153 days pursuant to the Temporary Measures for Reducing the Impact of the Coronavirus Disease 2019 (COVID-19) (Amendment) Act 2022 ("Covid Act"), for the purpose of computing the date of delivery of vacant possession in respect of the SPA;
- (d) that the Applicants be given leave to apply or in the alternative, a declaration that:
- (i) the R2 Letter is invalid and in excess of jurisdiction as provided under the Housing Development (Control and Licensing) Act 1966 ("HDA");
- (ii) the R1 Letter is invalid and in excess of jurisdiction and/or contravenes the provisions of the Covid Act and/or HDA;
- (iii) Rule 11(3) of the Housing Development (Control and Licensing) Regulations 1989 is ultra vires the HDA;
- (e) an order that the Applicants are entitled to claim liquidated ascertained damages under the SPA ("LAD"), calculated from the expiry of a 36-month period from the date booking payment is made by the Applicants.

The JR Application has been fixed for Hearing on 1 March 2023.

- iii) **Shah Alam High Court Originating Summons No. BA-24NCC-123-12/2022 (JKI Development Sdn Bhd v Fivestar Development (Puchong) Sdn Bhd)**

On 6 December 2022, JKI Development Sdn. Bhd. received a Statutory Notice of Demand Pursuant To Section 455(1)(e) read together with Section 466(1)(a) of the Companies Act 2016 dated 6 December 2022 ("Notice") by Messrs. James Monteiro, the Solicitors who act on behalf of Fivestar Development (Puchong) Sdn Bhd ("Fivestar") demanding for the payment of the outstanding sums of RM12,983,569.67 due and owing by JKID arising from failure to pay pursuant to the Joint Venture Development Agreement dated 28 July 2015 and the Supplementary Joint Venture Development Agreement dated 5 October 2016 ("Agreement").

On 14 December 2022 vide our solicitor, Messrs. Arnold Andrew & Co filed a Fortuna Injunction to prohibit and restrain Fivestar Development (Puchong) Sdn Bhd ("Fivestar") from filing and presenting a winding-up petition against JKID. The Company will make further announcement upon receiving the sealed originating summons and information on case management date.

The court had fixed the hearing on 21 February 2023.

- For the quarter ended 31 December 2022

**PART B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB**

**B12. Earnings Per Share (EPS)**

The EPS for the year was calculated base on the profit after taxation for the year divided by the weighted average number of ordinary shares issued during the year.

EPS for the quarter is as follows:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31-Dec-22 RM'000	31-Dec-21 RM'000	31-Dec-22 RM'000	31-Dec-21 RM'000
Profit / (Loss) after tax	(11,107)	14	(16,593)	2,151
Number of ordinary shares issued as at 1 January	213,706	166,930	213,706	166,930
Effect of shares issuance	-	2,904	-	2,904
Weighted Average number of ordinary shares issued	213,706	169,834	213,706	169,834
<b>Basic EPS (Sen)</b>	<b>(5.20)</b>	<b>0.01</b>	<b>(7.76)</b>	<b>1.27</b>

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31-Dec-22 RM'000	31-Dec-21 RM'000	31-Dec-22 RM'000	31-Dec-21 RM'000
Profit / (Loss) after tax	(11,107)	14	(16,593)	2,151
Weighted Average number of ordinary shares issued	213,706	169,834	213,706	169,834
Assume shares issued from full exercise of SIS / warrants	-	4,838	-	4,838
Assume shares issued from full exercise of Private Placement	-	-	-	-
Adjusted Weighted Average number of ordinary shares issued	213,706	174,672	213,706	174,672
<b>Diluted EPS (Sen)</b>	<b>(5.20)</b>	<b>0.01</b>	<b>(7.76)</b>	<b>1.23</b>

**B13. Notes to the Statement of Comprehensive Income**

	Current Year Ended	Preceding Year Ended
	31-Dec-22 RM'000	31-Dec-21 RM'000
Profit for the period is arrived at after charging:		
Depreciation and amortization	419	255
and after crediting:		
Interest income	115	133



JIANKUN INTERNATIONAL BERHAD (Registration No. 198301015973 (111365-U))

- For the quarter ended 31 December 2022

PART B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB

**B14. Realised and Unrealised Profits/Losses Disclosure**

	<b>Current Year Ended</b>	<b>Preceding Year Ended</b>
	<b>31-Dec-22 RM '000</b>	<b>31-Dec-21 RM '000</b>
Total realised losses	8,718	35,382
Total unrealised profits/(loss)	4,075	6,304
	<u>12,793</u>	<u>41,686</u>
Consolidated adjustment	3,051	(9,250)
Total accumulated profit/(loss)	<u>15,844</u>	<u>32,436</u>

**By Order of the Board**

**Date: 28 February 2023**