

EXPLANATORY NOTES AND ADDITIONAL INFORMATION

1. Basis of Preparation

This interim financial report is unaudited and has been prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Malaysian Financial Reporting Standards (“MFRS”) 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”).

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries (“the Group”) subsequent to 31 December 2024.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2024 except for the following which were adopted at the beginning of the current financial year.

Amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The adoption of the abovementioned amendments did not have any material impact to the current period and prior period financial statements of the Group and the Company.

2. Seasonality or Cyclicity of Interim Operations

Generally, the Group’s operations are not affected by seasonal or cyclical factors. However, the Group’s share of profit from an associate company which is involved in the job portal business may be negatively impacted in the last quarter of the year as recruitment activities tend to slow down towards year-end and during major holidays.

3. Unusual Items

There were no items or events that arose during the quarter under review, which affected assets, liabilities, equity, net income or cash flows that are unusual by reason of their nature, size or incidence.

4. Changes in Estimates

There were no changes in the nature and amount of estimates reported that have a material effect during the quarter under review.

5. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

During the quarter under review, the Company had bought back from the open market 262,000 of its issued ordinary shares (“JcbNext Shares”) at an average buy-back price of approximately RM1.63 per ordinary share. The total consideration paid for the share buy-back of JcbNext Shares by the Company during the quarter under review was RM426,855. The JcbNext Shares bought back are held as treasury shares in accordance with Section 127 Subsection 4(b) of the Companies Act 2016. At 31 March 2025, the Company held 262,000 of its own shares as treasury shares.

Other than the aforementioned share-buy-back, the Company continued to dispose 104 Corporation shares during the quarter under review as mentioned in Note 12.

Saved as disclosed above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

6. Dividends Paid

No dividend has been declared or paid during the quarter under review.

7. Operating Segments

The information reported to the Group’s chief operating decision maker, who is also the Group’s Chief Executive Officer, for the purposes of resource allocation and assessment of performance is segregated according to the following segments:

Investment holding	Includes equity investments, property investments, treasury investments, investment in associates, and property leasing
Others	Includes online advertising

Cumulative Quarter Ended 31/03/2025
(The figures have not been audited)

	Investment holding RM’000	Others RM’000	Eliminations RM’000	Consolidated RM’000
Segment revenue				
Revenue from external customers	345	-	-	345
Inter segment revenue	1	-	(1)	-
Dividends	1,507	-	-	1,507
Interest income	584	-	-	584
Investment distribution income	23	-	-	23
Revenue for the year	2,460	-	(1)	2,459
Segment profit/(loss)				
Operating profit/(loss) for reportable segments	1,232	(40)	34	1,226
Interest expense	(3)	-	-	(3)
Gain on disposal of investment in an associate	5,278	-	-	5,278
Gain on financial assets classified as fair value through profit or loss	143	-	-	143
Share of profit of equity-accounted associates	1,070	-	-	1,070
Profit before tax	7,720	(40)	34	7,714
Income tax expense	(373)	-	-	(373)
Profit for the year	7,347	(40)	34	7,341
Segment assets	582,312	143	(148,343)	434,112
<i>Included in the measure of segment assets are:</i>				
Investment in associates	74,170	-	-	74,170
Non-current assets other than financial instruments and deferred tax assets	18,610	-	-	18,610
Other segment information				
Depreciation of property and equipment	5	-	-	5
Depreciation of right-of-use assets	16	-	-	16

JCBNEXT BERHAD (“the Company”)
Registration No: 200401002875 (641378-W)
Notes on the quarterly report – 31 March 2025

Cumulative Quarter Ended 31/03/2024
(The figures have not been audited)

	Investment holding RM’000	Others RM’000	Eliminations RM’000	Consolidated RM’000
Segment revenue				
Revenue from external customers	328	-	-	328
Inter segment revenue	1	-	(1)	-
Dividends	453	-	-	453
Interest income	757	-	-	757
Investment distribution income	23	-	-	23
Revenue for the year	1,562	-	(1)	1,561
Segment profit/(loss)				
Operating profit/(loss) for reportable segments	1,668	(39)	(102)	1,527
Interest expense	(2)	-	-	(2)
Gain on disposal of investment in an associate	8,028	-	-	8,028
Gain on financial assets classified as fair value through profit or loss	356	-	-	356
Share of profit of equity-accounted associates	1,946	-	-	1,946
Profit before tax	11,996	(39)	(102)	11,855
Income tax expense	(317)	-	-	(317)
Profit for the year	11,679	(39)	(102)	11,538
Segment assets	488,890	144	(103,445)	385,589
<i>Included in the measure of segment assets are:</i>				
Investment in associates	108,669	-	-	108,669
Non-current assets other than financial instruments and deferred tax assets	18,062	-	-	18,062
Other segment information				
Depreciation of property and equipment	6	-	-	6
Depreciation of right-of-use assets	16	-	-	16

8. Subsequent Events

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements for the current quarter.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

10. Changes in contingent assets and contingent liabilities

There were no material contingent liabilities or contingent assets as at 20 May 2025 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

11. Capital Commitments

	As at 31.03.2025 RM’000
Investment in unquoted shares	
Contracted but not provided for:	293

12. Review of Performance for the Quarter

For the quarter ended 31 March 2025, consolidated revenue amounted to RM2.46 million, which was 57.5% higher than the revenue in the corresponding quarter in the preceding year of RM1.56 million. The increase was mainly due to the higher dividend income from quoted investments.

The Group reported foreign exchange losses of RM0.08 million in the current quarter compared with foreign exchange gains of RM1.10 million in Q1 2024. The foreign exchange gains in Q1 2024 were mainly attributable to unrealised forex exchange gains on the Group’s US Dollar and Hong Kong Dollar denominated bank deposits.

During the quarter under review, the Company had continued to dispose shares in an associate, 104 Corporation, and in the process the Group recorded gains on disposal of the said shares amounting to RM5.28 million, a decrease of 34.3% compared with gains of RM8.03 million recorded in Q1 2024. Following the disposals, the Company continued to hold 12.55% equity interest in 104 Corporation as at 31 March 2025.

Our share of profit from equity accounted associates decreased by 45.0% year-over-year to RM1.07 million in Q1 2025 from RM1.95 million in the corresponding quarter of 2024. 104 Corporation, a leading provider of integrated human resource services in Taiwan, reported a higher net profit of NT\$105.98 million in the current quarter compared with NT\$90.13 million in Q1 2024 mainly due to an increase in its revenue to NT\$616.76 million in Q1 2025 from NT\$562.75 million in Q1 2024. Despite the growth in 104 Corporation’s financial results during the quarter, the Group’s share of its profits decreased from RM2.52 million in Q1 2024 to RM1.92 million in the current quarter in view of the lower equity interest in 104 Corporation of 12.55% compared to 17.46% at the end of Q1 2024. Our other associate, Innity Corporation Berhad registered a higher net loss of RM3.79 million in the current quarter under review compared with RM2.72 million in Q1 2024 on the back of a decrease in revenue from RM27.72 million in Q1 2024 to RM23.18 million in the current quarter.

The Group’s profit before tax (“PBT”) decreased by 34.9% to RM7.71 million in Q1 2025 from RM11.86 million in Q1 2024 mainly attributable to the lower gains on disposal of shares in 104 Corporation and lower share of profits from associates as mentioned above. In addition, foreign

exchange gains of RM1.10 million had also contributed to the higher PBT in Q1 2024. Excluding the gains on disposal of shares, the adjusted PBT for Q1 2025 amounted to RM2.44 million compared with the adjusted PBT for Q1 2024 of RM3.83 million.

13. Comparison with previous quarter's results

	Q1 2025 <u>Current Quarter</u> RM'000	Q4 2024 <u>Preceding Quarter</u> RM'000
Revenue	2,459	2,902
Profit before tax	7,714	16,327

For the current quarter under review, the Group recorded a lower revenue of RM2.46 million compared with RM2.90 million reported in the preceding quarter mainly due to the lower dividend from quoted investments and lower interest income from the Group's bank deposits.

Apart from the lower revenue, the Group posted a lower PBT in the current quarter mainly due to the foreign exchange losses of RM0.08 million compared with foreign exchange gains of RM4.76 million in Q4 2024, lower gains of disposal of shares in an associate of RM5.28 million in Q1 2025 compared with RM7.12 million in Q4 2024 and lower share of profits from associates amounting to RM1.07 million compared with RM2.03 million in the preceding quarter.

14. Prospects for the Year 2025

The Group's future prospects will depend on the performance of its associated companies in Taiwan and Malaysia, equity investments, foreign exchange rates and operating activities in Malaysia. The Group will derive income primarily from dividend income from its quoted investments and rental income from its investment property. The Board and management will endeavour to identify and evaluate new investments to be acquired by the Company which can contribute to the financial performance of the Group. The Group has a healthy cash position, receives good cash flow from its investments and does not have any material debt.

Following a prolonged period of unprecedented shocks, the global economy had begun to stabilise, characterised by steady yet modest growth. However, the landscape has shifted as governments around the world realign policy priorities amid rising uncertainties. In April 2025, the International Monetary Fund (“IMF”) revised its global growth forecast downward to 2.8%, from 3.3% in January 2025, citing tariff rates at levels not seen in a century and an increasingly volatile global environment.

Intensifying downside risks dominate the outlook, amid escalating trade tensions and adjustments in financial markets. Rapidly shifting policy positions or deteriorating sentiment could further tighten global financial conditions. A deepening trade war and rising uncertainty surrounding trade policies may constrain economic growth in both the near and long term. Furthermore, a retreat from international collaboration could jeopardise progress toward strengthening the resilience of the global economy.

The tenant for Wisma JobNext will move out at the end of their tenancy on 31 August 2025. The Group has already engaged the services of real estate agents to procure new tenants.

15. Profit Forecast

No profit forecast was announced hence there is no comparison between actual results and forecast.

16. Taxation

The taxation charge/(credit) for the current quarter includes the following:

	Individual and Cumulative Quarter Ended	
	31.03.2025	31.03.2024
	RM'000	RM'000
Estimated current tax payable	177	38
Deferred taxation	196	279
	<u>373</u>	<u>317</u>

17. Investments

The Group’s investments during the current quarter and financial year-to-date are as follows:-

	Individual and Cumulative Quarter Ended 31.03.2025 RM'000
Associate companies	
Share of results and changes in equity in associates and exchange differences	(901)
Sales proceeds	(9,076)
Gain on disposal of shares	5,278
	<hr/>
Long term:	
Purchase consideration	15,475
Sale proceeds	(2,786)
Changes in fair value	19,523
	<hr/>
Short term:	
Purchase consideration	4,707
Sale proceeds	(5,500)
Changes in fair value	143
	<hr/>

The Group’s investments at fair value through other comprehensive income, investments in the quoted securities of associate companies and other short-term investments at fair value through profit or loss as at 31 March 2025 are summarized below:

	RM'000
At cost	275,490
At carrying value/book value	330,148 [^]
At market value	389,773
	<hr/>

Other than the above, there was no purchase or disposal of quoted securities during the financial period under review.

^ Carrying value of investments in associate companies represents the Group’s proportionate share of net assets in the associate companies.

18. Status of Corporate Proposals

Proposed disposal of ordinary shares in JS E-Recruitment Ltd

The Company had on 24 June 2009 entered into a Share Sale Agreement (the “SSA”) with Daffodil Computers Limited, a company incorporated in Bangladesh (“Daffodil”) for the disposal of 60,000 ordinary shares of BDT 10 each in the share capital of JS E-Recruitment Ltd. (“JSE”) to Daffodil, representing 60% equity interest in the issued and paid-up share capital of JSE for a total cash consideration of USD1.00 (equivalent to RM3.549 based on the exchange rate as at 23 June 2009 of USD1:RM3.549).

19. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

20. Dividend

No dividend has been declared during the quarter under review in line with the discontinuation of the previous dividend policy with effect from 22 February 2016.

21. Earnings Per Share

Basic earnings per share

The basic earnings per share is calculated by dividing the Group’s net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual and Cumulative Quarter Ended	
	31.03.2025	31.03.2024
Net profit attributable to owners of the Company (RM’000)	7,341	11,538
Weighted average number of shares in issue (‘000)	131,231	131,992
Basic earnings per share (sen)	5.59	8.74

Fully diluted earnings per share

No diluted earnings per share is disclosed in the financial statements as there are no dilutive potential ordinary shares.

22. Profit for the Period

	Individual Quarter Ended	
	31.03.2025	31.03.2024
	RM'000	RM'000
Profit for the period is arrived at after (charging)/crediting:-		
Interest income	581	755
Depreciation of property and equipment	(5)	(6)
Depreciation of right-of-use assets	(16)	(16)

Save as disclosed above and in the Condensed Consolidated Income Statement, the other items as required under Appendix 9B, Part A (16) of the Main Market Listing Requirements are not applicable.

23. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors.