



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

Interim Financial Report
31 March 2024

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
- For the quarter ended 31 March 2024

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Revenue	851	1,150	24,425	9,301
Cost of Sales	(794)	(1,104)	(23,256)	(9,726)
Gross Profit	57	46	1,169	(425)
Other Income	1	2	12	72
Selling and marketing expenses	-	-	(35)	(127)
Administrative expenses	(2,045)	(1,869)	(16,413)	(21,023)
Other operating expenses	-	-	-	5
Operating loss	(1,987)	(1,821)	(15,267)	(21,498)
Interest income	9	39	107	304
Finance costs	(36)	(49)	(187)	(105)
Loss before taxation	(2,014)	(1,831)	(15,347)	(21,299)
Taxation	-	-	-	2,196
Net loss for the period	(2,014)	(1,831)	(15,347)	(19,103)
Other comprehensive income after tax:				
Net currency translation differences	47	72	6	1,249
Other comprehensive income for the period, net of tax	47	72	6	1,249
Total comprehensive loss for the period	(1,967)	(1,759)	(15,341)	(17,854)
Net loss attributable to:				
- Owners of the parent	(2,014)	(1,831)	(15,345)	(19,103)
- Minority interest	-	-	(2)	(1,644)
	(2,014)	(1,831)	(15,347)	(20,747)
Total comprehensive loss attributable to:				
- Owners of the parent	(1,967)	(1,759)	(15,339)	(17,853)
- Minority interest	-	-	(2)	(1,644)
	(1,967)	(1,759)	(15,341)	(19,497)
Loss per share attributable to the owner of the Company (sen) attributable to owners of the parent				
-Basic (sen)	(0.51)	(0.51)	(3.90)	(5.35)
-Diluted (sen)	(0.45)	(0.51)	(3.43)	(5.32)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
- As at 31 March 2024

	31 March 2024 (Unaudited) RM'000	31 December 2022 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	691	765
Right of Use Assets	4,011	4,101
Investment properties	<u>24,186</u>	<u>24,186</u>
	<u>28,888</u>	<u>29,052</u>
Current Assets		
Inventories	29,884	32,802
Trade Receivables	17,114	8,635
Contract Assets	15,353	4,204
Other Receivables	44,381	32,198
Tax Recoverable	1,647	1,471
Fixed deposit with license bank	841	3,977
Cash & Bank Balances	<u>1,550</u>	<u>13,825</u>
	<u>110,770</u>	<u>97,112</u>
TOTAL ASSETS	<u>139,658</u>	<u>126,164</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	99,683	70,734
Reserves	9,527	22,947
Minority Intc	282	288
Total Equity	<u>109,492</u>	<u>93,969</u>
Non Current Liabilities		
Bank Borrowing	2,889	3,193
Deferred Taxation	<u>6,475</u>	<u>6,475</u>
	<u>9,364</u>	<u>9,668</u>
Current Liabilities		
Trade Payables	8,822	4,284
Other Payables & Accruals	11,766	17,760
Lease liabilities	-	86
Bank Borrowing	214	201
Amount Due To Directors	-	197
Provision for Taxation	-	-
	<u>20,802</u>	<u>22,528</u>
Total Liabilities	<u>30,166</u>	<u>32,196</u>
TOTAL EQUITY AND LIABILITIES	<u>139,658</u>	<u>126,165</u>
Net assets per share (RM)	0.28	0.24

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
- For the quarter ended 31 March 2024

	< ----- Non-distributable ----- >				Distributable			Total RM'000
	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 2023	70,734	5,723	2,057	-	15,166	93,680	288	93,968
Effect on consolidation	-	-	-	-	-	-	-	-
	70,734	5,723	2,057	-	15,166	93,680	288	93,968
Profit for the period	-	-	-	-	(15,345)	(15,345)	(2)	(15,347)
Foreign exchange translation reserve	-	6	-	-	-	6	-	6
Total comprehensive (loss) / income for the period	-	6	-	-	(15,345)	(15,339)	(2)	(15,341)
Transaction with owners:								
Granted of SIS option	-	-	5,721	-	-	5,721	-	5,721
Private Placement	18,764	-	-	-	-	18,764	-	18,764
Issuance of shares pursuant to share Issuance Scheme	10,185	-	(3,801)	-	-	6,384	-	6,384
	28,949	-	1,920	-	-	30,869	-	30,869
Balance as at 31 March 2024	99,683	5,729	3,977	-	(179)	109,210	286	109,496

	< ----- Non-distributable ----- >				Distributable			Total RM'000
	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	
Balance as at 1 January 2022	41,641	4,547	2,114	-	32,436	80,738	-	80,738
Net profit for the period	-	-	-	-	(19,103)	(19,103)	-	(19,103)
Foreign exchange translation reserve	-	1,249	-	-	-	1,249	-	1,249
Total comprehensive (loss)/income for the period	-	1,249	-	-	(19,103)	(17,854)	-	(17,854)
Transaction with owners:								
Issuance of ordinary shares: - share issuance scheme	8,419	-	(2,114)	-	2,114	8,419	-	8,419
	8,419	-	(2,114)	-	2,114	8,419	-	8,419
Balance as at 31 December 2022	50,060	5,796	-	-	15,447	71,303	-	71,303

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
- For the quarter ended 31 March 2024

	Year Ended 31 March 2024 RM'000	Year Ended 31 March 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
OPERATING ACTIVITIES		
Profit before taxation	(15,347)	(21,299)
Adjustment for:		
Depreciation	(74)	197
Impairment loss on goodwill	-	3,271
Share based expenses	3,977	2,057
Reversal of impairment loss on trade receivable	-	(5)
Loss/(gain) on disposal of property, plant and equipment	-	-
Finance costs	187	57
Gain on unrealised forex	-	(1,494)
Finance income	(106)	(265)
Revaluation of investment properties	-	4,962
Operating profit/(loss) before working capital changes	<u>(11,363)</u>	<u>(12,519)</u>
(Increase)/Decrease in Inventories	(6,604)	(4,625)
(Increase)/Decrease in trade receivables	(4,098)	(1,336)
(Increase)/Decrease in other receivables	(14,037)	(21,932)
(Decrease)/Increase in trade payables	1,541	2,492
(Decrease)/Increase in other payables	(7,321)	(14,040)
(Increase)/Decrease in contract Assets	-	41,211
Net cash generated from/(used in) operating activities	<u>(41,882)</u>	<u>(10,749)</u>
Interest paid	(187)	(57)
Interest received	106	265
Tax paid	(176)	(2,569)
	<u>(42,139)</u>	<u>(13,110)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	237	(268)
Acquisition of right of use asset	-	(4,092)
Acquisition of subsidiaries	-	(4,718)
Net cash received / (used) in investing activities	<u>237</u>	<u>(9,078)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown / (Repayment) of bank borrowing (net)	(407)	3,394
Drawdown/(Repayment) of lease	-	(29)
Proceed from issuance of share	26,892	26,979
Decrease / (Increase) in fixed deposit place with license bank	3,136	(147)
Advance from directors	-	29
Net cash generated / (used) from financing activities	<u>29,621</u>	<u>30,226</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(12,281)	8,038
EFFECT ON TRANSLATION DIFFERENCES	6	2,447
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	<u>13,825</u>	<u>1,509</u>
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>1,550</u>	<u>11,994</u>
Cash and cash equivalents comprise:-		
Fixed deposit with licensed bank	841	3,977
Housing development accounts	1,204	6,974
Cash and bank balance	346	6,851
	<u>2,391</u>	<u>17,802</u>
Less: Fixed deposit pledged with licensed bank	(841)	(3,977)
	<u>1,550</u>	<u>13,825</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

- For the quarter ended 31 March 2024

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 2023.

The Group adopted the following Amendments to Standards:

MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - comparative information	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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
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 2022.

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.

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 issuances of equity securities for the company.

A8. Dividends

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

- For the quarter ended 31 March 2024

Part A – Explanatory Notes Pursuant to MFRS 134

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.

Group

	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

31 March 2024

Revenue

External customers	24,366	59	24,425	-	24,425
Total revenue	24,366	59	24,425	-	24,425

Result

Interest income	102	5	107	-	107
Interest expenses	(187)	-	(187)	-	(187)
Profit / (loss) before taxation	(6,619)	(8,728)	(15,347)	-	(15,347)
Taxation	-	-	-	-	-
Segment profit / (loss)	(6,619)	(8,728)	(15,347)	-	(15,347)

	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

Assets

Segmental assets	89,728	29,561	119,289	20,369	139,658
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Including in the measurement of assets are:

Capital expenditure relating to:

- property, plant and equipment	(237)	-	(237)	-	(237)
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Liabilities

Segment liabilities	21,668	4,756	26,424	3,742	30,166
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Other non-cash item

Depreciation of:

- properties, plant and equipment	(210)	(1)	(211)	-	(211)
- right of use assets	-	-	-	-	-

- For the quarter ended 31 March 2024

Part A – Explanatory Notes Pursuant to MFRS 134

A9. Segmental Information (cont.)

Group

	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
31 March 2023					
Revenue					
External customers	9,222	79	9,301	-	9,301
Inter-segment	-	-	-	-	-
Total revenue	9,222	79	9,301	-	9,301
Result					
Finance income	302	2	304	-	304
Interest expenses	(105)	-	(105)	-	(105)
Property development and construction	-	-	-	-	-
Profit / (loss) before taxation	(7,684)	(45,215)	(52,899)	33,431	(19,468)
Taxation	(285)	2,481	2,196	-	2,196
Segment profit / (loss)	(7,969)	(42,734)	(50,703)	33,431	(17,272)
Assets					
Segment assets	70,962	47,916	118,878	(11,814)	107,064
Including in the measurement of assets are:					
Capital expenditure relating to:					
- right of use assets	-	-	-	-	-
- property, plant and equipment	-	-	-	-	-
Liabilities					
Segment liabilities	21,778	6,591	28,369	2,400	30,769
Other non-cash item					
Depreciation of property, - plant and equipment	196	1	197	-	197
- right of use assets	72	-	72	-	72
Fair value loss on investment properties	-	4,961	4,961	-	4,961
Unrealised foreign exchange gain	-	(1,494)	(1,494)	-	(1,494)
Impairment loss on goodwill	3,271	-	3,271	-	3,271
Share based expenses	-	2,057	2,057	-	2,057
Reversal of impairment loss in trade receivables	(5)	-	(5)	-	(5)
Property, plant and equipment written off	-	-	-	-	-

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.

A13. Capital Commitments

Provided for:

	RM'000
Fivestar Development (Puchong) Sdn Bhd	12,377
	<u>12,377</u>

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

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

- For the quarter ended 31 March 2024

Part A – Explanatory Notes Pursuant to MFRS 134

A14. Significant Events and Transactions

There were no significant events and transactions for the quarter under review.

A15. Subsequent Event

On 30 April 2024, the Company had Bonus Issue of Warrants has been completed following the listing and quotation of 246,998,770 Warrants B on the Main Market of Bursa Securities. Upon successful listing of the Bonus Warrants, the company acquisition land approxiamated 10 acres of land in Malaka, private placement and issuance of bonus warrants is completed.

There is no material subsequent events under the quarter review.

- For the quarter ended 31 March 2024

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 March 2024 RM'000	31 March 2023 RM'000	RM'000	31 March 2024 RM'000	31 March 2023 RM'000	RM'000
Revenue	851	1,150	(299)	24,425	9,301	15,124
Gross (loss) / profit	57	46	11	1,169	(425)	1,594
Other incomes	1	2	(1)	12	72	(60)
Profit / (loss) before tax	(2,014)	(1,831)	(183)	(15,347)	(21,299)	5,952
Profit / (loss) after tax	(2,014)	(1,831)	(183)	(15,347)	(19,103)	3,756

The Group recorded revenue current quarter 31 March 2024 was RM0.851 million as compare with RM1.150 million in the preceding corresponding year. The revenue for 15 months ended 31 March 2024 was RM24.425 million as compare with RM9.301 million in the preceding 15 months ended 31 March 2023.

The loss before tax was RM2.014 million and 1.831 million respectively for individual quarter and RM15.347 million and RM21.299 million respectively for 15 months period.

The main contribution of revenue is derived from One Le project.

B2. Comparison with Preceding Quarter's Results

	Current Quarter	Immediate Preceding Quarter	Changes
	31 March 2024 RM'000	31 Dec 2023 RM'000	RM'000
Revenue	851	14,504	(13,653)
Gross (loss) / profit	57	719	(662)
Profit / (loss) before tax	(2,014)	(1,420)	(594)
Profit / (loss) after tax	(2,014)	(1,420)	(594)

Due to long festival holiday and low progress in construction for One Le project, the revenue decreased from RM14.504 million to RM0.851 million as compare to preceding quarter. The loss before tax reported for current quarter was RM2.014 million as compare with RM1.420 million.

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 situation at Pekan Klebang Sek. II, Daerah Tengah, Melaka from Cash Support Sdn Bhd 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;
- (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. The Company is in the midst of converting the zoning of the aforesaid said land to commercial prior to commencing the reclamation process; and
- (iii) acquisition of Limpah Restu Development Sdn Bhd ("Limpah Restu") for a cash consideration of RM10.0 million with a piece of land measuring approximately 15.99 acres at the district of Kinta, Perak, which is earmarked for the development of private crematorium and columbarium.
- (i) completed the acquisition of a leasehold land measuring approximately 10 acres situation at Pekan Klebang Sek. II, Daerah Tengah, Melaka from Cash Support Group Sdn Bhd for a purchase consideration of RM13.0 million.

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.

- For the quarter ended 31 March 2024

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

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. Due to the Group and subsidiary companies reporting a losses, there was no tax accrued for the quarter under review.

The tax charge for the Group is as follows:-

	31 March 2024 RM'000	31 March 2023 RM'000
Current tax	-	-
Under provision in prior year	-	285
Deferred tax	-	(2,481)
	<u>-</u>	<u>(2,196)</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.

B8. Status of corporate proposals and utilisation of proceeds

- i) On 27 July 2022, 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")

On 14 December 2022, Jiankun completed the 2022 Private Placement, raising total proceeds of RM18.56 million. As at the LPD, the said proceeds have been utilised as follows:

Details of utilisation of proceeds	Proceeds raised	Actual utilisation	Balance unutilised
	RM'000	RM'000	RM'000
Funding for the One Le Tower project(1)	18,182	17,759	423
Estimated expenses for the 2022 Private Placement	379	379	-
Total	18,561	18,138	423

- ii) On 28 August 2023, the implement the Share Issuance Scheme ("SIS") of up to 15% of the total issued shares of Jiankun International Berhad and on 11 September 2023, the Company had granted 54,077,100 options to eligible directors and employees at an exercise price of RM0.182 per share.

As at 20 November 2023, the status of the SIS is as follows:-

Eligible Directors / Employees	Options Granted	Actual exercised	Balance Granted	Proceeds raised	Actual utilisation	Balance unutilised
	'000	'000	'000	RM'000	RM'000	RM'000
Directors	32,446	10,989	21,457	2,000	2,000	-
Senior management	10,815		10,815	-	-	-
Employees	10,816	5,496	5,320	1,000	1,000	-
Total	54,077	16,485	37,592	3,000	3,000	-

B9. Group Borrowings

Save for the loan borrowing for financed the corporate office of RM3.13 million, 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.

- For the quarter ended 31 March 2024

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

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 Village, that is identified and chosen
- (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 suit is set down for Pre-Trial Case Management at the High Court of Malaya at Kuala Lumpur on 20 September 2023 with Trial dates fixed from 22nd to 24th January 2025.

(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 Court has fixed the above matter for Hearing on 30 January 2024 and has been re-scheduled to 8 May 2024. Upon hearing counsels' additional oral submissions, the Court reserved its Decision until 15 July 2024.

- For the quarter ended 31 March 2024

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

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.

On 20 April 2023, the Court declared there is a bona fide dispute between parties and granted the injunction against Fivestar Development preventing them from filing a winding up petition against the JKI Development Sdn. Bhd. and awarded the Company damages to be assessed. The assessment of damages proceedings before the Registrar is fixed for hearing on 30 January 2024 but was subsequently re-scheduled to 29 February 2024.

On 2 February 2024 received a Writ of Statement of Claim dated 29 January 2024 ("Writ") 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 RM14,214,288.48 owing by JKID arising from the Joint Venture Development Agreement dated 28 July 2015, the Supplementary Joint Venture Development Agreement dated 5 October 2016 and Supplementary Joint Venture Development Agreement dated 14 November 2016 ("Agreement"), the interest rate of 5% per annum on RM14,214,288.48 starting from 13 September 2022 until full payment and cost.

The Court has fixed for Hearing on 18 July 2024

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 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Profit / (Loss) after tax	(2,014)	(1,831)	(15,347)	(19,103)
Number of ordinary shares issued as at 1 January	342,887	342,887	342,887	342,887
Effect of shares issuance	51,066	14,076	51,066	14,076
Weighted Average number of ordinary shares issued	393,953	356,963	393,953	356,963
Basic EPS (Sen)	(0.51)	(0.51)	(3.90)	(5.35)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Profit / (Loss) after tax	(2,014)	(1,831)	(15,347)	(19,103)
Weighted Average number of ordinary shares issued	393,953	356,963	393,953	356,963
Assume shares issued from full exercise of SIS	54,077	-	54,077	-
Assume shares issued from full exercise of Private Placement	-	-	-	-
Adjusted Weighted Average number of ordinary shares issued	448,030	356,963	448,030	359,089
Diluted EPS (Sen)	(0.45)	(0.51)	(3.43)	(5.32)

B13. Notes to the Statement of Comprehensive Income

	Current Year Ended 31 March 2024 RM'000	Preceding Year Ended 31 March 2023 RM'000
Profit for the period is arrived at after charging:		
Interest expenses	187	105
Share based expenses	3,977	-
Depreciation and amortization	(74)	197
and after crediting:		
Interest income	106	265

- For the quarter ended 31 March 2024

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

B14. Realised and Unrealised Profits/Losses Disclosure

	Current Year Ended	Preceding Year Ended
	31 March 2024 RM '000	31 March 2023 RM '000
Total realised losses	(43,084)	(21,773)
Total unrealised profits/(loss)	4,075	4,075
	<u>(39,009)</u>	<u>(17,698)</u>
Consolidated adjustment	38,830	33,145
Total accumulated profit/(loss)	<u>(179)</u>	<u>15,447</u>

By Order of the Board

Date: 20 May 2024