



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

**Interim Financial Report
30 June 2024**

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
- For the quarter ended 30 June 2024

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Revenue	4,501	8,029	28,926	16,180
Cost of Sales	(4,150)	(7,676)	(27,406)	(16,298)
Gross Profit	351	353	1,520	(118)
Other Income	379	3	391	73
Selling and marketing expenses	-	-	(35)	(127)
Administrative expenses	(9,102)	(4,035)	(25,515)	(23,189)
Other operating expenses	(24,709)	-	(24,709)	5
Operating loss	(33,081)	(3,679)	(48,348)	(23,356)
Interest income	3	74	110	339
Finance costs	(35)	(76)	(222)	(132)
Loss before taxation	(33,113)	(3,681)	(48,460)	(23,149)
Taxation	4,182	-	4,182	2,196
Net loss for the period	(28,931)	(3,681)	(44,278)	(20,953)
Other comprehensive income after tax:				
Net currency translation differences	1,278	(20)	1,284	1,157
Other comprehensive income for the period, net of tax	1,278	(20)	1,284	1,157
Total comprehensive loss for the period	(27,653)	(3,701)	(42,994)	(19,796)
Net loss attributable to:				
- Owners of the parent	(28,932)	(3,681)	(44,277)	(19,309)
- Minority interest	1	-	(1)	(1,644)
	(28,931)	(3,681)	(44,278)	(20,953)
Total comprehensive loss attributable to:				
- Owners of the parent	(27,654)	(3,701)	(42,993)	(18,152)
- Minority interest	1	-	(1)	(1,644)
	(27,653)	(3,701)	(42,994)	(19,796)
Loss per share attributable to the owner of the Company (sen) attributable to owners of the parent				
-Basic (sen)	(6.79)	(1.03)	(10.39)	(5.87)
-Diluted (sen)	(6.32)	(1.03)	(9.67)	(5.84)

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 30 June 2024

	30 June 2024 (Unaudited) RM'000	31 December 2022 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	636	765
Right of Use Assets	3,998	4,101
Investment properties	13,533	24,186
Long Term Inventories	40,371	-
	<u>58,538</u>	<u>29,052</u>
Current Assets		
Property Development Costs		
Inventories	37,362	32,802
Trade Receivables	10,034	8,635
Contract Assets	-	4,204
Other Receivables	19,895	32,198
Tax Recoverable	1,688	1,471
Fixed deposit with license bank	172	3,977
Cash & Bank Balances	1,016	13,825
	<u>70,167</u>	<u>97,112</u>
TOTAL ASSETS	<u>128,705</u>	<u>126,164</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	104,639	70,734
Reserves	(16,717)	22,947
Minority Intc	287	288
Total Equity	<u>88,209</u>	<u>93,969</u>
Non Current Liabilities		
Bank Borrowing	2,830	3,193
Deferred Taxation	2,489	6,475
	<u>5,319</u>	<u>9,668</u>
Current Liabilities		
Trade Payables	11,226	4,284
Contract liabilities	7,144	-
Other Payables & Accruals	16,593	17,759
Lease liabilities	-	86
Bank Borrowing	214	201
Amount Due To Directors	-	197
	<u>35,177</u>	<u>22,527</u>
Total Liabilities	<u>40,496</u>	<u>32,195</u>
TOTAL EQUITY AND LIABILITIES	<u>128,705</u>	<u>126,164</u>
Net assets per share (RM)	0.21	0.22

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 30 June 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	-	-	-	-	(44,277)	(44,277)	(1)	(44,278)
Foreign exchange translation reserve	-	1,284	-	-	-	1,284	-	1,284
Total comprehensive (loss) / income for the period	-	1,284	-	-	(44,277)	(42,993)	(1)	(42,994)
Transaction with owners:								
Granted of SIS option	-	-	7,317	-	-	7,317	-	7,317
Cancellation of SIS option granted	-	-	(3,977)	-	3,977	-	-	-
Private Placement	18,764	-	-	-	-	18,764	-	18,764
Bonus Issues of Warrants B	-	-	-	-	-	-	-	-
Issuance of shares pursuant to share Issuance Scheme	15,141	-	(3,987)	-	-	11,154	-	11,154
	33,905	-	(647)	-	3,977	37,235	-	37,235
Balance as at 30 June 2024	104,639	7,007	1,410	-	(25,134)	87,922	287	88,209

	< ----- 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	-	-	-	-	(20,953)	(20,953)	-	(20,953)
Foreign exchange translation reserve	-	1,157	-	-	-	1,157	-	1,157
Total comprehensive (loss)/income for the period	-	1,157	-	-	(20,953)	(19,796)	-	(19,796)
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 30 June 2024	50,060	5,704	-	-	13,597	69,361	-	69,361

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 30 June 2024

	Year Ended 30 June 2024 RM'000	Year Ended 30 June 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
OPERATING ACTIVITIES		
Profit before taxation	(48,460)	(23,149)
Adjustment for:		
Depreciation	(1)	197
Impairment loss on goodwill	-	3,271
Share based expenses	1,410	2,057
Reversal of impairment loss on trade receivable	-	(5)
Finance costs	222	57
Gain on unrealised forex	-	(1,494)
Finance income	(110)	(265)
Revaluation of investment properties	10,850	4,962
Operating profit/(loss) before working capital changes	<u>(36,089)</u>	<u>(14,369)</u>
(Increase)/Decrease in Inventories	(27,978)	(4,625)
(Increase)/Decrease in trade receivables	6,257	(1,336)
(Increase)/Decrease in other receivables	10,448	(21,932)
(Decrease)/Increase in trade payables	669	2,492
(Decrease)/Increase in other payables	(2,490)	(14,040)
(Increase)/Decrease in contract Assets	-	41,211
Net cash generated from/(used in) operating activities	<u>(49,183)</u>	<u>(12,599)</u>
Interest paid	(222)	(57)
Interest received	110	265
Tax paid	<u>(217)</u>	<u>(2,569)</u>
	<u>(49,512)</u>	<u>(14,960)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	233	(268)
Acquisition of right of use asset	-	(4,092)
Acquisition of subsidiaries	-	(4,718)
Net cash received / (used) in investing activities	<u>233</u>	<u>(9,078)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown / (Repayment) of bank borrowing (net)	(466)	3,394
Drawdown/(Repayment) of lease	-	(29)
Proceed from issuance of share	31,848	26,979
Decrease / (Increase) in fixed deposit place with license bank	3,804	(147)
Advance from directors	-	29
Net cash generated / (used) from financing activities	<u>35,186</u>	<u>30,226</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(14,093)	6,188
EFFECT ON TRANSLATION DIFFERENCES	1,284	2,447
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	13,825	1,509
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>1,016</u>	<u>10,144</u>
Cash and cash equivalents comprise:-		
Fixed deposit with licensed bank	172	3,977
Housing development accounts	209	6,974
Cash and bank balance	807	6,851
	1,188	17,802
Less: Fixed deposit pledged with licensed bank	<u>(172)</u>	<u>(3,977)</u>
	<u>1,016</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 30 June 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 30 June 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
30 June 2024					
Revenue					
External customers	28,866	60	28,926	-	28,926
Total revenue	28,866	60	28,926	-	28,926
Result					
Interest income	105	5	110	-	110
Interest expenses	(222)	-	(222)	-	(222)
Profit / (loss) before taxation	(14,540)	(33,920)	(48,460)	-	(48,460)
Taxation	-	4,182	4,182	-	4,182
Segment profit / (loss)	(14,540)	(29,738)	(44,278)	-	(44,278)

	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	94,320	9,834	104,154	20,369	124,523
Including in the measurement of assets are:					
Capital expenditure relating to:					
- property, plant and equipment	(233)	-	(233)	-	(233)
Liabilities					
Segment liabilities	31,019	2,898	33,917	2,400	36,317
Other non-cash item					
Depreciation of:					
- properties, plant and equipment	(283)	(2)	(285)	-	(285)
- right of use assets	-	-	-	-	-

- For the quarter ended 30 June 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
30 June 2023					
Revenue					
External customers	16,066	114	16,180	-	16,180
Inter-segment	-	-	-	-	-
Total revenue	16,066	114	16,180	-	16,180
Result					
Finance income	335	4	339	-	339
Interest expenses	(132)	-	(132)	-	(132)
Property development and construction	-	-	-	-	-
Profit / (loss) before taxation	(10,253)	(46,327)	(56,580)	33,431	(23,149)
Taxation	(285)	2,481	2,196	-	2,196
Segment profit / (loss)	(10,538)	(43,846)	(54,384)	33,431	(20,953)
Assets					
Segment assets	77,584	34,847	112,431	14,686	127,117
Including in the measurement of assets are:					
Capital expenditure relating to:					
- right of use assets	-	-	-	-	-
- property, plant and equipment	12	-	12	-	12
Liabilities					
Segment liabilities	24,267	6,799	31,066	2,400	33,466
Other non-cash item					
Depreciation of property, - plant and equipment	8	-	8	-	8
- 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	14,214
	<u>14,214</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 30 June 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 30 June 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
	30 June 2024 RM'000	30 June 2023 RM'000	RM'000	30 June 2024 RM'000	30 June 2023 RM'000	RM'000
Revenue	4,501	8,029	(3,528)	28,926	16,180	12,746
Gross (loss) / profit	351	353	(2)	1,520	(118)	1,638
Other incomes	379	3	376	391	73	318
Profit / (loss) before tax	(33,113)	(3,681)	(29,432)	(48,460)	(23,149)	(25,311)
Profit / (loss) after tax	(28,931)	(3,681)	(25,250)	(44,278)	(20,953)	(23,325)

The Group recorded revenue current quarter 30 June 2024 was RM4,501 million as compare with RM8,029 million in the preceding corresponding year. The revenue for 18 months ended 30 June 2024 was RM28,926 million as compare with RM16,180 million in the preceding 18 months ended 30 June 2023.

The Group has make a provision for impairment of RM16.80 million in receivable for more than one year, the Group will only recovable shall be converted into progress works. The Group adopted fair value method to record investment properties, as at the end of the year the revaluation down in investment properties has effect a negative impact of of RM7.944 million (nett of tax) in the profit and loss.

During the year, the Group has granted the share under Share Issuance Scheme ("SIS") and the fair value of the SIS which cause additional effect to the profit and loss of the Group in share based expenses of RM7.317 million.

Due to the main contribution of revenue was derived from One Le project and the exceptional expenses incurred by the the the loss before tax for the 18 months perioed ended 30 June 2024 was RM64.148 million as compare with RM23.149 million as compare with the period ended 30 June 2023.

B2. Comparison with Preceding Quarter's Results

	Current Quarter	Immediate Preceding Quarter	Changes
	30 June 2024 RM'000	31 March 2024 RM'000	RM'000
Revenue	4,501	851	3,650
Gross (loss) / profit	351	57	294
Profit / (loss) before tax	(33,113)	(2,014)	(31,099)
Profit / (loss) after tax	(28,931)	(2,014)	(26,917)

Due to the progress construction for One Le project, the revenuefor the current quarter is RM4,501 million as compare with RM0,851 million to preceding quarter. The loss before tax reported for was RM33,113 million as compare with RM2,014 million.

The Group has make a provision for impairment of RM16.80 million in receivable for more than one year, the Group will only recovable shall be converted into progress works. The Group adopted fair value method to record investment properties, as at the end of the year the revaluation down in investment properties has effect a negative impact of of RM7.944 million (nett of tax) in the profit and loss.

During the year, the Group has granted the share under Share Issuance Scheme ("SIS") and the fair value of the SIS which cause additional effect to the profit and loss of the Group in share based expenses of RM7.317 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 30 June 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:-

	30 June 2024 RM'000	30 June 2023 RM'000
Current tax	-	-
Under provision in prior year	-	285
Deferred tax	(4,182)	(2,481)
	<u>(4,182)</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	18,182	-
Estimated expenses for the 2022 Private Placement	379	379	-
Total	18,561	18,561	-

- 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	Options Surrender & Cancelled	Actual exercised	Balance Granted	Proceeds raised	Actual utilisation	Balance unutilised
	'000	'000	'000	'000	RM'000	RM'000	RM'000
Directors	69,342	(33,549)	(23,686)	12,107	2,973	2,973	-
Senior management	25,720	(18,268)	-	7,452	-	-	-
Employees	14,731	(7,279)	(5,495)	1,957	1,000	1,000	-
Total	109,793	(59,096)	(29,181)	21,516	3,973	3,973	-

B9. Group Borrowings

Save for the loan borrowing for financed the corporate office of RM3.04 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 30 June 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 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 re-scheduled the Decision to 30.09.2024 and on the recent Federal Court's recent decision.

- For the quarter ended 30 June 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 case management on 19 September 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 30 June 2024 RM'000	Preceding Year Quarter 30 June 2023 RM'000	Current Year To Date 30 June 2024 RM'000	Preceding Year To Date 30 June 2023 RM'000
Profit / (Loss) after tax	(28,931)	(3,681)	(44,278)	(20,953)
Number of ordinary shares issued as at 1 January	342,887	342,887	342,887	342,887
Effect of shares issuance	83,373	14,076	83,373	14,076
Weighted Average number of ordinary shares issued	426,260	356,963	426,260	356,963
Basic EPS (Sen)	(6.79)	(1.03)	(10.39)	(5.87)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 June 2024 RM'000	Preceding Year Quarter 30 June 2023 RM'000	Current Year To Date 30 June 2024 RM'000	Preceding Year To Date 30 June 2023 RM'000
Profit / (Loss) after tax	(28,931)	(3,681)	(44,278)	(20,953)
Weighted Average number of ordinary shares issued	426,260	356,963	426,260	356,963
				2,126
Assume shares issued from full exercise of SIS	31,402	-	31,402	-
Assume shares issued from full exercise of Private Placement	-	-	-	-
Adjusted Weighted Average number of ordinary shares issued	457,662	356,963	457,662	359,089
Diluted EPS (Sen)	(6.32)	(1.03)	(9.67)	(5.84)

B13. Notes to the Statement of Comprehensive Income

	Current Year Ended 30 June 2024 RM'000	Preceding Year Ended 30 June 2023 RM'000
Profit for the period is arrived at after charging:		
Interest expenses	222	132
Share based expenses	1,410	-
Depreciation and amortization	(1)	197
and after crediting:		
Interest income	110	265

- For the quarter ended 30 June 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
	30 June 2024 RM '000	30 June 2023 RM '000
Total realised losses	(64,053)	(21,773)
Total unrealised profits/(loss)	89	4,075
	<u>(63,964)</u>	<u>(17,698)</u>
Consolidated adjustment	38,830	33,145
Total accumulated profit/(loss)	<u>(25,134)</u>	<u>15,447</u>

By Order of the Board

Date: 30 August 2024