



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

Interim Financial Report
30 June 2023

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
- For the quarter ended 30 June 2023

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year To Date	Preceding Year To Date
	Quarter	Quarter	Date	Date
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	RM'000	RM'000	RM'000	RM'000
Revenue	6,879	2,639	8,029	9,861
Cost of Sales	(6,572)	(3,795)	(7,676)	(8,784)
Gross Profit	307	(1,156)	353	1,077
Other Income	1	-	3	16
Selling and marketing expenses	-	6	-	(24)
Administrative expenses	(2,166)	(2,311)	(4,035)	(4,415)
Operating profit / (loss)	(1,858)	(3,461)	(3,679)	(3,346)
Interest income	35	58	74	61
Finance costs	(27)	-	(76)	(1)
Profit / (loss) before taxation	(1,850)	(3,403)	(3,681)	(3,286)
Taxation	-	-	-	-
Net profit/(loss) for the period	(1,850)	(3,403)	(3,681)	(3,286)
Other comprehensive income after tax:				
Net currency translation differences	(92)	27	(20)	66
Other comprehensive income for the period, net of tax	(92)	27	(20)	66
Total comprehensive income for the period	(1,942)	(3,376)	(3,701)	(3,220)
Net profit/(loss) attributable to:				
- Owners of the parent	(1,850)	(3,403)	(3,681)	(3,286)
- Minority interest	-	-	-	-
	(1,850)	(3,403)	(3,681)	(3,286)
Total comprehensive income attributable to:				
- Owners of the parent	(1,942)	(3,376)	(3,701)	(3,220)
- Minority interest	-	-	-	-
	(1,942)	(3,376)	(3,701)	(3,220)
Earnings per share attributable to the owner of the Company (sen) attributable to owners of the parent				
-Basic (sen)	(0.52)	(1.59)	(1.03)	(1.54)
-Diluted (sen)	(0.52)	(1.56)	(1.03)	(1.50)

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 2023

	30 June 2023 (Unaudited) RM'000	31 December 2022 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	712	765
Right of Use Assets	4,049	4,101
Investment properties	24,186	24,186
	<u>28,947</u>	<u>29,052</u>
Current Assets		
Inventories	31,131	32,802
Trade Receivables	10,677	8,635
Contract Assets	11,518	4,204
Other Receivables	30,355	32,198
Tax Recoverable	1,615	1,471
Fixed deposit with license bank	3,977	3,977
Cash & Bank Balances	8,897	13,825
	<u>98,170</u>	<u>97,112</u>
TOTAL ASSETS	<u>127,117</u>	<u>126,164</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	76,176	70,734
Reserves	17,187	22,946
Minority Inte	288	288
Total Equity	<u>93,651</u>	<u>93,968</u>
Non Current Liabilities		
Bank Borrowing	3,101	3,193
Deferred Taxation	6,475	6,475
	<u>9,576</u>	<u>9,668</u>
Current Liabilities		
Trade Payables	7,793	4,284
Other Payables & Accruals	15,828	17,760
Lease liabilities	-	86
Bank Borrowing	269	201
Amount Due To Directors	-	197
Provision for Taxation	-	-
	<u>23,890</u>	<u>22,528</u>
Total Liabilities	<u>33,466</u>	<u>32,196</u>
TOTAL EQUITY AND LIABILITIES	<u>127,117</u>	<u>126,164</u>
Net assets per share (RM)	0.26	0.26

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 2023

	< ----- 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	-	15,165	93,679	288	93,967
Effect on consolidation	-	-	-	-	-	-	-	-
	70,734	5,723	2,057	-	15,165	93,679	288	93,967
Profit for the period	-	-	-	-	(3,681)	(3,681)	-	(3,681)
Foreign exchange translation reserve	-	(20)	-	-	-	(20)	-	(20)
Total comprehensive (loss) / income for the period	-	(20)	-	-	(3,681)	(3,701)	-	(3,701)
Transaction with owners:								
Issuance of shares pursuant to share Issuance Scheme	5,442	-	(2,057)	-	-	3,385	-	3,385
	5,442	-	(2,057)	-	-	3,385	-	3,385
Balance as at 30 June 2023	76,176	5,703	-	-	11,484	93,363	288	93,651

	< ----- 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	-	-	-	-	(3,286)	(3,286)	-	(3,286)
Foreign exchange translation reserve	-	66	-	-	-	66	-	66
Total comprehensive (loss)/income for the period	-	66	-	-	(3,286)	(3,220)	-	(3,220)
Balance as at 30 June 2022	41,641	4,613	2,114	-	29,150	77,518	-	77,518

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 2023

	Year Ended 30 June 2023 RM'000	Year Ended 30 June 2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
OPERATING ACTIVITIES		
Profit/(Loss) before taxation		
- Continue operation	(3,681)	(3,286)
- Discontinue operation	-	-
Profit before taxation	<u>(3,681)</u>	<u>(3,286)</u>
Adjustment for:		
Depreciation	116	295
Finance costs	76	-
Finance income	(74)	(80)
Operating profit/(loss) before working capital changes	<u>(3,563)</u>	<u>(3,071)</u>
(Increase)/Decrease in Inventories	(4,014)	(2,464)
(Increase)/Decrease in trade receivables	2,436	34,292
(Increase)/Decrease in other receivables	(4)	(16,579)
(Decrease)/Increase in trade payables	414	(3,471)
(Decrease)/Increase in other payables	(3,263)	(7,167)
Net cash generated from/(used in) operating activities	<u>(7,994)</u>	<u>1,540</u>
Interest paid	(76)	-
Interest received	74	80
Tax paid	(145)	(1,778)
	<u>(8,141)</u>	<u>(158)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(12)	(419)
Net cash received / (used) in investing activities	<u>(12)</u>	<u>(419)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown / (Repayment) of bank borrowing (net)	(140)	-
Drawdown/(Repayment) of lease	-	20
Proceed from issuance of share	3,384	8,419
Net cash generated / (used) from financing activities	<u>3,244</u>	<u>8,439</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(4,909)	7,862
EFFECT ON TRANSLATION DIFFERENCES	(20)	66
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	13,825	2,452
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>8,896</u>	<u>10,380</u>
Cash and cash equivalents comprise:-		
Fixed deposit with licensed bank	3,977	3,830
Housing development accounts	7,237	7,157
Cash and bank balance	1,659	3,223
	<u>12,873</u>	<u>14,210</u>
Less: Fixed deposit pledged with licensed bank	(3,977)	(3,830)
	<u>8,896</u>	<u>10,380</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 2023

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 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture MFRS 128	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 30 June 2023

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 issuances of equity securities for the company.

A8. Dividends

There was no dividend is 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.

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
30 June 2023						
Revenue						
External customers	-	7,994	35	8,029	-	8,029
Inter-segment	-	-	-	-	-	-
Total revenue	-	7,994	35	8,029	-	8,029
Result						
Interest income	-	72	2	74	-	74
Interest expenses	-	(76)	-	(76)	-	(76)
Profit / (loss) before taxation	-	(2,569)	(1,112)	(3,681)	-	(3,681)
Taxation	-	-	-	-	-	-
Segment profit / (loss)	-	(2,569)	(1,112)	(3,681)	-	(3,681)

- For the quarter ended 30 June 2023

Part A – Explanatory Notes Pursuant to MFRS 134

A9. Segmental Information (cont.)

	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
Assets						
Segmental assets	-	77,584	34,847	112,431	14,686	127,117
Including in the measurement of assets are:						
Capital expenditure relating to:						
- 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:						
- properties, plant and equipment	-	(115)	(1)	(116)	-	(116)

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
30 June 2022						
Revenue						
External customers	-	6,488	63	6,551	3,310	9,861
Inter-segment	-	-	-	-	-	-
Total revenue	-	6,488	63	6,551	3,310	9,861
Result						
Finance income	-	80	-	80	-	80
Profit / (loss) before taxation	-	(7,445)	(1,416)	(8,861)	5,575	(3,286)
Taxation	-	-	-	-	-	-
Segment profit / (loss)	-	(7,445)	(1,416)	(8,861)	5,575	(3,286)
Assets						
Segment assets	-	76,655	61,767	138,422	(21,834)	116,588
Including in the measurement of assets are:						
Capital expenditure relating to:						
- property, plant and equipment	-	419	-	419	-	419
Liabilities						
Segment liabilities	-	19,406	11,245	30,651	-	30,651
Other non-cash item						
Depreciation of property,						
- plant and equipment	-	(259)	(36)	(295)	-	(295)

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.

- For the quarter ended 30 June 2023

Part A – Explanatory Notes Pursuant to MFRS 134

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
Encik Muhammad Shafiq Bin Jamuri and Encik Mohd Yusof Bin Abu Hassan	507
	<u>12,884</u>

Not Provided for:

Land held for property development	<u>13,500</u>
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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.

A15. Subsequent Event

There is no material subsequent events under the quarter review.

- For the quarter ended 30 June 2023

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 2023 RM'000	30 June 2022 RM'000	RM'000	30 June 2023 RM'000	30 June 2022 RM'000	RM'000
Revenue	6,879	2,639	4,240	8,029	9,861	(1,832)
Gross (loss) / profit	307	(1,156)	1,463	353	1,077	(724)
Other incomes	1	-	1	3	16	(13)
Profit / (loss) before tax	(1,850)	(3,403)	1,553	(3,681)	(3,286)	(395)
Profit / (loss) after tax	(1,850)	(3,403)	1,553	(3,681)	(3,286)	(395)

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

The revenue recorded for 2nd quarter 2023 was RM6,879 million was mainly derived from construction contract for One Le Tower located in Klebang Melaka, but for preceding year quarter revenue was derived from recognition for Amani Residences project.

The Group recorded a loss before tax of RM1.85 million as compare with a loss before tax of RM3.403. The loss was due to operation cost incurred by the Group.

B2. Comparison with Preceding Quarter's Results

	Current Quarter	Immediate Preceding Quarter	Changes
	30 June 2023 RM'000	31 March 2023 RM'000	RM'000
Revenue	6,879	1,150	5,729
Gross (loss) / profit	307	46	261
Profit / (loss) before tax	(1,850)	(1,831)	(19)
Profit / (loss) after tax	(1,850)	(1,831)	(19)

For comparison with current quarter and preceding quarter the group recorded revenue of RM6.879 million from One Le Tower construction work as compare with preceding quarter RM1.150 million.

The loss before tax is RM1.85 million as compare with RM1.831 million was due to operation cost incurred by the Group.

- For the quarter ended 30 June 2023

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 situation 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 said 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.

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:-

	30 June 2023	30 June 2022
	RM'000	RM'000
Current tax	-	-
Under provision in prior year	-	-
Deferred tax	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </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 30 June 2023

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

B8. Status of corporate proposals and utilisation of proceeds

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
Funding for the One Le Tower project(1)	18,182	7,438	10,744
Estimated expenses for the 2022 Private Placement	379	379	-
Total	18,561	7,817	10,744

B9. Group Borrowings

Save for the loan borrowing for financed the corporate office of RM3.35 million, there was no bank borrowings for the quarter under review.

Long term:

Bridging loan

Term loan

-

3,370

3,370

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 Village, that is identified and

(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.

- For the quarter ended 30 June 2023

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 Court has fixed the above matter for Hearing (Substantive) on 27.09.2023.

- 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.

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

- For the quarter ended 30 June 2023

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
	30 June 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 RM'000
Profit / (Loss) after tax	(1,850)	(3,403)	(3,681)	(3,286)
Number of ordinary shares issued as at 1 January	342,886	213,706	342,886	213,706
Effect of shares issuance	14,076	-	14,076	-
Weighted Average number of ordinary shares issued	356,962	213,706	356,962	213,706
Basic EPS (Sen)	(0.52)	(1.59)	(1.03)	(1.54)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	30 June 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 RM'000
Profit / (Loss) after tax	(1,850)	(3,403)	(3,681)	(3,286)
Weighted Average number of ordinary shares issued	356,962	213,706	356,962	213,706
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	356,962	218,544	356,962	218,544
Diluted EPS (Sen)	(0.52)	(1.56)	(1.03)	(1.50)

B13. Notes to the Statement of Comprehensive Income

	Current Year Ended 30 June 2023 RM'000	Preceding Year Ended 30 June 2022 RM'000
Profit for the period is arrived at after charging:		
Interest expenses	-	76
Depreciation and amortization	116	295
and after crediting:		
Interest income	74	80

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

- For the quarter ended 30 June 2023

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 2023 RM '000	30 June 2022 RM '000
Total realised losses	(25,736)	21,986
Total unrealised profits/(loss)	4,075	6,223
	<u>(21,661)</u>	<u>28,209</u>
Consolidated adjustment	33,145	3,055
Total accumulated profit/(loss)	<u>11,484</u>	<u>31,264</u>

By Order of the Board

Date: 23 August 2023