JBB BUILDERS INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1903)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2025

RESULTS HIGHLIGHTS

	Year ended 30 June		
	2025	2024	Increase/ (decrease)
	RM'000	*RM'000*	*RM'000*
Revenue	**426,980**	329,330	97,650
Gross profit	**17,671**	8,332	9,339
Gross profit margin	**4.1%**	2.5%	1.6%
(Allowance)/reversal for impairment loss on trade receivables and contract assets	**(1,608)**	5,736	(7,344)
Profit for the year attributable to owners of the Company	**1,331**	2,994	(1,663)
Total equity attributable to equity owners of the Company	**124,962**	129,149	(4,187)
Basic and diluted earnings per Share *(Sen)*	**0.27**	0.60	(0.33)

ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of JBB Builders International Limited (the "**Company**") is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 30 June 2025 together with the comparative figures for the year ended 30 June 2024. All amounts set out in this announcement are expressed in Ringgit Malaysia ("**RM**") unless otherwise indicated.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	**2025** *RM'000*	2024 *RM'000*
Revenue	*4*	**426,980**	329,330
Direct costs		**(409,309)**	(320,998)
Gross profit		**17,671**	8,332
Other revenue	*5*	**5,660**	5,845
Other net income	*5*	**1,499**	474
(Allowance)/reversal for impairment loss on trade receivables and contract assets	*6(c)*	**(1,608)**	5,736
General and administrative expenses		**(19,658)**	(16,177)
Profit from operations		**3,564**	4,210
Share of loss of a joint venture		**(8)**	(21)
Finance costs	*6(a)*	**(639)**	(963)
Profit before taxation	*6*	**2,917**	3,226
Income tax expenses	*8*	**(1,662)**	(832)
Profit for the year		**1,255**	2,394
Other comprehensive (expenses)/income for the year			
Items that will not be reclassified to profit or loss:			
Currency translation differences		**(5,518)**	629
Total comprehensive (expenses)/income for the year		**(4,263)**	3,023
Profit/(loss) for the year attributable to:			
Owners of the Company		**1,331**	2,994
Non-controlling interests		**(76)**	(600)
		1,255	2,394
Total comprehensive (expenses)/income attributable to:			
Owners of the Company		**(4,187)**	3,623
Non-controlling interests		**(76)**	(600)
		(4,263)	3,023
Earnings per share ***(Sen per share)***	*9*		
– Basic		**0.27**	0.60
– Diluted		**0.27**	0.60

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Notes	2025 RM'000	2024 RM'000
Non-current assets			
Property, plant and equipment		**1,667**	1,337
Investment properties		**–**	2,200
Interest in a joint venture		**96**	243
Deposits paid for acquisition of investment properties	*10(a)*	**27,637**	42,710
Deposits placed for life insurance policies	*10(b)*	**1,054**	1,038
Deferred tax assets		**33**	26
		30,487	47,554
Current assets			
Trade and other receivables	*11*	**147,986**	92,419
Contract assets	*12(a)*	**28,690**	32,720
Tax recoverable		**1,825**	1,911
Fixed deposits with maturity over three months		**5,700**	–
Pledged bank deposits		**9,179**	8,109
Cash and cash equivalents		**71,451**	94,095
		264,831	229,254
Assets classified as held for sale	*13*	**1,500**	–
		266,331	229,254
Current liabilities			
Trade and other payables	*14*	**142,775**	123,355
Contract liabilities	*12(b)*	**13,793**	5,113
Bank loans	*15*	**4,410**	4,118
Lease liabilities		**263**	258
Provision for taxation		**1,452**	810
		162,693	133,654
Net currents assets		**103,638**	95,600
Total assets less current liabilities		**134,125**	143,154
Non-current liabilities			
Bank loans	*15*	**1,974**	6,340
Lease liabilities		**437**	463
Deferred tax liabilities		**54**	–*
		2,465	6,803
Net assets		**131,660**	136,351
Capital and reserves			
Share capital	*16*	**2,672**	2,672
Reserves		**122,290**	126,477
Total equity attributable to equity owners of the Company		**124,962**	129,149
Non-controlling interests		**6.698**	7,202
		131,660	136,351

* *The amount represents an amount less than RM1,000.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liabilities on 30 April 2018 under the Companies Law (Cap. 22) (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered address is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 1222, 12/F, Soundwill Plaza II – Midtown, 1–29 Tang Lung Street, Causeway Bay, Hong Kong.

The ordinary shares of the Company (the "**Share**") were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 10 May 2019 (the "**Listing**").

The Company is an investment holding company and the Company's subsidiaries are principally engaged in the provision of marine construction services, building and infrastructure services, and trading business of marine gas oil. As at 30 June 2025, the Directors consider that the Company is ultimately controlled by Dato' Ng Say Piyu and Datin Ngooi Leng Swee (the "**Controlling Shareholders**"), who have entered into a confirmation deed on 16 May 2018.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("**IFRSs**"), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The IASB has issued certain amendments to IFRSs which are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the "**Group**") and the Group's interest in a joint venture.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The functional currency of the Company is Hong Kong dollars ("**HK$**") and the consolidated financial statements are presented in Malaysian Ringgit ("**RM**"), rounded to the nearest thousand, unless otherwise stated, as the Group's principal activities were carried out in Malaysia and Singapore in which the management uses RM to control and monitor the performance and financial position of the Group.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that the investment properties, including interests in leasehold land and buildings held as investment properties where the Group is the registered owner of the property interest, are stated at their fair value.

The deposits placed for life insurance policies are carried at the cash surrender value of the policies.

Non-current assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

Other than changes in accounting policies resulting from the application of new and amendments to IFRSs, the accounting policies and methods computation used in the consolidated financial statements for the year ended 30 June 2025 are the same as those presented in the preparation of the Group's annual financial statements for the year ended 30 June 2024.

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The Group has applied the following amendments to IFRSs issued by the IASB for the first time in the current year:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. REVENUE AND SEGMENT REPORTING

The principal activities of the Group are the provision of marine construction services, building and infrastructure services, and trading business of marine gas oil.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or services lines is as follows:

	2025	2024
	RM'000	*RM'000*
Revenue from contracts with customers within the scope of IFRS 15		
Construction contracts		
– Reclamation and related works	**109,501**	26,927
– Building and infrastructure	**46,522**	18,209
	156,023	45,136
Marine transportation	**270,957**	281,882
	426,980	327,018
Revenue from other source		
Marine gas oil	**–**	2,312
	426,980	329,330

Revenue from construction contracts is recognised over time, while revenue from marine transportation and marine gas oil are recognised at a point in time.

As at 30 June 2025, the aggregate amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is approximately RM610,938,000 (2024: RM919,162,000). This amount represents revenue expected to be recognised in future from construction contracts and marine transportation contracts entered into between the customers and the Group. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to be during the years ending 30 June 2026 to 30 June 2029.

(b) Segment reporting

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the board of directors of the Company, being the chief operating decision maker (the "**CODM**"), for the purpose of allocating resources to segments and assessing their performance.

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

Marine construction services

– Reclamation and related works, which includes land reclamation and other marine civil works. Reclamation may involve soil investigation, hydrographic survey, pre-reclamation design, sand handling/filling, ground treatment, sand surcharge removal work and other related works. Marine civil works generally include construction of jetty, channel-crossing works, maintenance dredging and river diversion.

– Marine transportation, which involves transportation of marine sand and the filling material normally used in land reclamation, including the loading of marine sand extracted from the approved sand source onto sand carriers and carriage and delivery of marine sand to designated sites where the marine sand is unloaded to be used for land reclamation.

Building and infrastructure services

– General building works in construction of properties and infrastructure works.

Trading business of marine gas oil

– The trading of marine gas oil.

Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of central administrative and corporate expenses, unallocated other revenue and other net income, finance costs and share of loss of a joint venture. This is the measure reported to the CODM, for the purposes of resources allocation and performance assessment. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

No segment assets and liabilities are presented as they were not regularly provided to the CODM for the purpose of resources allocation and performance assessment.

Information regarding the above segments is reported below.

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 30 June 2025

	Marine construction			
	Reclamation and related works *RM'000*	Marine transportation *RM'000*	Building and infrastructure *RM'000*	Total *RM'000*
Reportable segment revenue	**109,501**	**270,957**	**46,522**	**426,980**
Reportable segment profit/(loss)	**9,561**	**12,462**	**(32)**	**21,991**
Unallocated central administrative and corporate expenses				**(19,255)**
Unallocated other revenue and other net income				**828**
Finance costs				**(639)**
Share of loss of a joint venture				**(8)**
Profit before taxation				**2,917**
Other segment information				
Depreciation	**96**	**48**	**–**	**144**
Allowance/(reversal) for impairment loss on trade receivables and contract assets	**2,094**	**28**	**(514)**	**1,608**
(Gain) on disposal of deposits paid for acquisition of investment properties	**–**	**–**	**(1,339)**	**(1,339)**
(Gain) on disposal of a non-wholly owned subsidiary	**(572)**	**–**	**–**	**(572)**

For the year ended 30 June 2024

	Marine construction				
	Reclamation and related works *RM'000*	Marine transportation *RM'000*	Building and infrastructure *RM'000*	Marine gas oil *RM'000*	Total *RM'000*
Reportable segment revenue	26,927	281,882	18,209	2,312	329,330
Reportable segment profit/(loss)	8,535	6,943	(980)	193	14,691
Unallocated central administrative and corporate expenses					(12,882)
Unallocated other revenue and other net income					2,401
Finance costs					(963)
Share of loss of a joint venture					(21)
Profit before taxation					3,226
Other segment information					
Depreciation	170	16	–	–	186
(Reversal)/allowance for impairment loss on trade receivables and contract assets	(4,938)	(974)	181	(5)	(5,736)
(Gain) on disposal of deposits paid for acquisition of investment properties	(175)	–	(139)	–	(314)
(Reversal) for impairment loss on deposits paid for acquisition of investment properties	(48)	–	(133)	–	(181)

Geographical information

The following is an analysis of geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered.

	2025 *RM'000*	2024 *RM'000*
Malaysia (place of domicile)	**156,023**	45,136
Singapore	**270,957**	284,194
	426,980	329,330

5. OTHER REVENUE AND OTHER NET INCOME

	2025	2024
	RM'000	*RM'000*
Other revenue		
Handling service fee on provision of marine transportation services	**2,191**	2,831
Interest income on financial assets measured at amortised cost	**1,216**	2,417
Interest income on trade receivables owing from a customer	**2,074**	–
Imputed interest income on contract assets	**–**	516
Handling service fee on provision of diesel	**10**	74
Others	**169**	7
	5,660	5,845
Other net income		
Gain on disposal of deposits paid for acquisition of investment properties	**1,339**	314
Gain on disposal of a non-wholly owned subsidiary	**572**	–
Net foreign exchange gain/(loss)	**259**	(51)
Gain on deposits placed for life insurance policies	**16**	16
Gain on partial disposal of a joint venture	**11**	–
Gain on disposal of property, plant and equipment	**2**	14
Fair value loss on investment properties	**(700)**	–
Reversal for impairment loss on deposits paid for acquisition of investment properties	**–**	181
	1,499	474

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2025	2024
	RM'000	*RM'000*
Interest on bank loans	**604**	865
Imputed interest on contract assets	**–**	71
Interest on lease liabilities	**35**	27
Total interest expenses on financial liabilities not at fair value through profit or loss	**639**	963

(b) Staff costs (including Directors' emoluments)

	2025 *RM'000*	2024 *RM'000*
Salaries, wages and other benefits	**10,711**	9,636
Contributions to defined contribution retirement plan	**1,094**	891
	11,805	10,527
Less: Amount included in direct costs	**(280)**	(941)
	11,525	9,586

(c) Other items

	2025 *RM'000*	2024 *RM'000*
Depreciation charge		
– owned property, plant and equipment	**374**	371
– right-of-use assets	**143**	124
	517	495
Less: Amount included in direct costs	**–**	(4)
	517	491
Short-term lease expenses	**1,214**	939
Less: Amount included in direct costs	**(1,044)**	(738)
	170	201
Allowance/(reversal) for impairment loss on trade receivables and contract assets	**1,608**	(5,736)
Auditors' remuneration	**408**	396
(Gain) on disposal of deposits paid for acquisition of investment properties	**(1,339)**	(314)
(Gain) on disposal of a non-wholly owned subsidiary	**(572)**	–
Net foreign exchange (gain)/loss	**(259)**	51
(Gain) on deposits placed for life insurance policies	**(16)**	(16)
(Gain) on partial disposal of a joint venture	**(11)**	–
(Gain) on disposal of property, plant and equipment	**(2)**	(14)
Fair value loss on investment properties	**700**	–
(Reversal) for impairment loss on deposits paid for acquisition of investment properties	**–**	(181)

7. DIVIDENDS

The Board does not recommend to declare any final dividend for the year ended 30 June 2025 (2024: nil).

8. INCOME TAX EXPENSES

	2025	2024
	RM'000	*RM'000*
Current tax		
Malaysia corporate income tax	**163**	10
Singapore corporate income tax	**1,587**	954
	1,750	964
Over provision in prior years	**(130)**	(143)
Deferred tax		
Origination and reversal of temporary differences	**42**	11
Income tax expenses for the year	**1,662**	832

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

(ii) No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the years ended 30 June 2025 and 2024.

(iii) Corporate income tax in Malaysia is calculated at the statutory rate of 24% of the estimated taxable profit for the years ended 30 June 2025 and 2024.

(iv) Corporate income tax in Singapore is calculated at the statutory rate of 17% of the estimated taxable profit for the years ended 30 June 2025 and 2024. 75% of the chargeable income of first Singapore dollars ("**SGD**") 10,000 and 50% of the chargeable income of next SGD190,000 are exempted under Inland Revenue Authority of Singapore's partial tax exemption scheme for the years ended 30 June 2025 and 2024.

9. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the consolidated profit attributable to owners of the Company of approximately RM1,331,000 (2024: RM2,994,000) and the weighted average of 500,000,000 ordinary shares (2024: 500,000,000 ordinary shares) in issue during the year ended 30 June 2025.

(b) Diluted earnings per share

The diluted earnings per share is the same as the basic earnings per share as there were no dilutive potential ordinary shares in existence during the years ended 30 June 2025 and 2024.

10. DEPOSITS

(a) Deposits paid for acquisition of investment properties

(i) During the year ended 30 June 2025, the Group disposed 7 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to 7 independent third parties to the Group, amounted to approximately RM16,412,000 in aggregate, including 2 sales and purchase agreements entered into by the Group during the year ended 30 June 2024.

A net gain on disposal of approximately RM1,339,000 was recognised and the carrying amount of the deposits paid for acquisition of the abovementioned properties amounted to approximately RM15,073,000 was derecognised during the year ended 30 June 2025.

(ii) During the year ended 30 June 2025, the Group entered into 4 sales and purchase agreements to dispose 4 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to 4 independent third parties to the Group, amounted to approximately RM9,488,000 in aggregate, conditional upon obtaining the foreign consent from the State Authority of Johor given that the purchasers are the foreigners of Malaysia. The carrying amount of the deposits paid for the abovementioned properties amounted to approximately RM8,306,000 was included in the balances as at 30 June 2025. Such balances will be derecognised upon obtaining each of the respective foreign consent.

(iii) During the year ended 30 June 2024, the Group disposed 5 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia and 8 properties located in the area of Mukim of Tebrau, District of Johor Bahru, State of Johor, Malaysia to 13 independent third parties to the Group, amounted to approximately RM13,028,000 in aggregate.

During the year ended 30 June 2024, the Group entered into a contra agreement with Kimlun Sdn. Bhd., a connected party at subsidiary level, pursuant to which trade payables due to Kimlun Sdn. Bhd. by the Group with total amount of approximately RM1,180,000 are deemed to be settled by the assignment of a property beneficially owned by the Group under a deed of settlement dated 19 February 2020. Such transaction constitutes connected transaction as defined under Chapter 14A of the Listing Rules. However, such transaction is fully exempt from all disclosure and independent shareholders' approval requirements under Chapter 14A of the Listing Rules as (i) the transaction is conducted on normal commercial terms or better; and (ii) the transaction is de minimis under Rule 14A.76(1) of the Listing Rules.

A net gain on disposal (including reversal for impairment loss provided in earlier years) of approximately RM495,000 was recognised and the carrying amount of the deposits paid for the acquisition of the abovementioned properties amounted to approximately RM13,713,000 was derecognised during the year ended 30 June 2024.

(iv) During the year ended 30 June 2024, the Group entered into 2 sales and purchase agreements to dispose 2 properties located in the area of Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to 2 independent third parties to the Group, amounted to approximately RM4,580,000 in aggregate, conditional upon obtaining the foreign consent from the State Authority of Johor given that the purchasers are the foreigners of Malaysia. The carrying amount of the deposits paid for the abovementioned properties amounted to approximately RM4,207,000 was included in the balances as at 30 June 2024. Such balances will be derecognised upon obtaining each of the respective foreign consent.

During the year ended 30 June 2024, reversal for impairment loss on deposits paid for acquisition of investment properties of approximately RM181,000 (2025: nil) has been recognised. The valuations of recoverable amount of deposits paid for acquisition of investment properties (excluding those entered into the sale and purchase agreements while pending the foreign consent to be obtained from the State Authority of Johor) as at 30 June 2025 and 2024 were carried out by an independent firm, Knight Frank Malaysia Sdn. Bhd., who has among its valuers registered with The Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia, with recent experience in the location and category of properties being valued. The recoverable amount of deposits paid for acquisition of investment properties located in Malaysia is determined using market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis, adjusted to reflect the locations and conditions of the subject properties, using market data which is publicly available.

As at 30 June 2025, the amount of deposits paid for acquisition of investment properties represents the consideration paid for the acquisition of 34 (2024: 41) investment properties in Malaysia. As the legal titles in respect of those investment properties had not been vested in the Group as of the end of each reporting period, the payments made were accounted as deposits paid.

	2025		2024	
	No.	***RM'000***	*No.*	*RM'000*
At 1 July	**41**	**42,710**	55	56,423
Disposals	**(7)**	**(15,073)**	(14)	(13,713)
Impairment loss	**N/A**	**–**	N/A	–
At 30 June	**34**	**27,637**	41	42,710

As at 30 June 2025, deposits paid for acquisition of investment properties of approximately RM12,911,000 (2024: RM12,911,000) have been pledged to a bank as security for a bank facility granted to the Group.

(b) Deposits placed for life insurance policies

	RM'000
At 1 July 2023	1,022
Gain on deposits placed for life insurance policies	16
At 30 June 2024	1,038
Gain on deposits placed for life insurance policies	16
At 30 June 2025	1,054

During the year ended 30 June 2021, a life insurance policy (the "**Policy 2021**") was taken to insure an executive director of the Company (the "**Insured Person**"). Under the Policy 2021, the beneficiary is a bank (the "**Bank**") and the total insured sum is approximately RM3,200,000. At the inception of the Policy 2021, the Group paid an upfront payment of approximately RM804,000. For any insured events happened to the Insured Person, the insured sum will first be used to settle the outstanding bank loans of the Group to the Bank, and thereafter any excess portion will be payable to the Group. The Bank will pay the Group a variable return per annum afterwards (with no minimum return guaranteed) during the effective period of the Policy 2021. The Policy 2021 can be withdrawn at any time with surrender charges if such withdrawal occurs before the 10th anniversary from date of inception and a cash refund will be received based on the cash surrender value of the Policy 2021, which is determined by the gross premium paid plus accumulated return earned and minus any charges made in accordance with the terms and conditions of the Policy 2021, at the date of withdrawal. The Policy 2021 exposes the Group to significant insurance risk.

During the year ended 30 June 2020, a life insurance policy (the "**Policy 2020**") was taken to insure the Insured Person. Under the Policy 2020, the beneficiary is the Bank and the total insured sum is approximately RM1,610,000. At the inception of the Policy 2020, the Group paid an upfront payment of approximately RM401,000. For any insured events happened to the Insured Person, the insured sum will first be used to settle the outstanding bank loans of the Group to the Bank and thereafter any excess amount will be payable to the Group. The Policy 2020 can be withdrawn at any time with surrender charges if such withdrawal occurs before the 10th anniversary from the date of inception and a cash refund will be received based on the cash surrender value of the Policy 2020 at the date of withdrawal.

As at 30 June 2025 and 2024, the directors of the Company expect that the Policy 2021 and Policy 2020 will be terminated at the 10th anniversary from the date of inception and there will be no specific surrender charges in accordance with the terms of the Policy 2021 and Policy 2020. The directors of the Company consider that the expected life of the Policy 2021 and Policy 2020 will remain unchanged from initial recognition.

In the event of death of the Insured Person, the deposits will be derecognised and any resulting gains or losses will be recognised in profit or loss.

11. TRADE AND OTHER RECEIVABLES

	Note	**2025** **RM'000**	2024 *RM'000*
Trade receivables	*(i)*	**144,119**	88,571
Less: allowance for doubtful debts		**(9,471)**	(7,396)
	(ii)	**134,648**	81,175
Deposits, prepayments and other receivables	*(iii), (iv)*	**3,950**	9,917
Other receivables from disposal of deposits paid for acquisition of investment properties	*(iii)*	**9,388**	1,327
		147,986	92,419

Notes:

(i) As at 30 June 2025, trade receivables of approximately RM3,305,000 (2024: RM2,940,000) and contract assets of approximately RM33,000 (2024: RM420,000) as disclosed in note 12(a) owing from a customer are secured by the original issue documents of strata/individual titles and other transfer documents pertaining to 3 (2024: 9) properties of total net price of approximately RM7.0 million (2024: RM20.6 million) being held in escrow by the Group's solicitor pursuant to the master supplemental agreement dated 22 June 2022.

(ii) All of the trade receivables are expected to be recovered within one year.

(iii) The amount of deposits, prepayments and other receivables and other receivables from disposal of deposits paid for acquisition of investment properties are expected to be recovered or recognised as expenses within one year.

(iv) As at 30 June 2025, the amount of deposits, prepayments and other receivables included amount due from a related company of approximately RM60,000 (2024: RM60,000), in which a key management personnel of the Group has controlling interest. The amount was unsecured, non-trade nature and repayable on demand.

Aging analysis of trade receivables

As at the end of the reporting period, the aging analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	2025	2024
	RM'000	*RM'000*
Within 30 days	**39,503**	31,355
31 to 60 days	**50,128**	32,293
61 to 90 days	**13,563**	15,364
Over 90 days	**31,454**	2,163
	134,648	81,175

Trade receivables are generally due within 30 to 90 days from the date of invoice.

12. CONSTRUCTION CONTRACTS

(a) Contract assets

The Group's contract assets are analysed as follows:

	Note	**2025**	2024
		RM'000	*RM'000*
Contract assets	*(i)*		
Arising from performance under construction contracts		**4,455**	3,496
Retention receivables		**24,235**	29,224
		28,690	32,720
Gross carrying amount	*(ii)*	**28,881**	33,401
Less: loss allowance		**(191)**	(681)
		28,690	32,720
Receivables from contracts with customers within the scope of IFRS 15, which are included in "Trade and other receivables" *(Note 11)*		**134,648**	81,175

Notes:

(i) As at 30 June 2025, the amounts of approximately RM20,162,000 (2024: RM2,095,000) included in the contract assets are expected to be recovered after more than one year, all of which related to retention receivables. All of the other contract assets are expected to be recovered within one year.

(ii) As at 30 June 2025, trade receivables of approximately RM3,305,000 (2024: RM2,940,000) as disclosed in note 11 and contract assets of approximately RM33,000 (2024: RM420,000) owing from a customer are secured by the original issue documents of strata/individual titles and other transfer documents pertaining to 3 (2024: 9) properties of total net price of approximately RM7.0 million (2024: RM 20.6 million) being held in escrow by the Group's solicitor pursuant to the master supplemental agreement dated 22 June 2022.

(b) Contract liabilities

	2025	**2024**
	RM'000	***RM'000***
Contract liabilities		
Construction contracts		
– Billings in advance of performance	**13,793**	**5,113**

13. ASSETS CLASSIFIED AS HELD FOR SALE

On 30 June 2025, the Group entered into sale and purchase agreements to dispose investment properties to 2 independent third parties to the Group, amounted to RM1,500,000 in aggregate.

Investment properties amounted to RM2,200,000 were reclassified as assets held for sale amounted to RM1,500,000, resulting in a fair value loss of RM700,000, being the difference between the proceeds of disposal of RM1,500,000 and the carrying amount of the investment properties of RM2,200,000.

The disposal is consistent with the Group's long-term policy to focus its activities on the Group's construction businesses. The disposal, which are expected to be completed upon the receipt of the consideration of the investment properties from the purchasers and completion of the registration of the title of investment properties under the land registry (i.e. within 12 months), have been classified as assets held for sale and presented separately in the consolidated statement of financial position.

As at 30 June 2025, assets classified as held for sale amounted to RM1,500,000 have been pledged to a bank as security for bank facilities granted to the Group. Based on the latest information from the bank, no redemption of money is required for the release of the pledged of the abovementioned assets from the bank facilities while the bank is currently undergoing internal process to approve the release of the pledged of the abovementioned assets from the bank facilities.

14. TRADE AND OTHER PAYABLES

	Note	**2025** *RM'000*	2024 *RM'000*
Trade payables		**129,804**	118,979
Other payables and accruals	*(i)*	**947**	819
Retention payables	*(ii)*	**12,024**	3,557
		142,775	123,355

Notes:

(i) As at 30 June 2025, the amount of other payables and accruals included amount due to a joint venture of approximately RM6,000 (2024: RM6,000) which was unsecured, non-trade and repayable on demand.

(ii) As at 30 June 2025, except for the amounts of approximately RM7,960,000 (2024: RM1,145,000) included in the retention payables which are expected to be settled after one year, all of the trade and other payables are expected to be settled within one year or are repayable on demand.

Aging analysis of trade payables

As at the end of the reporting period, the aging analysis of trade payables, based on the invoice date, is as follows:

	2025	2024
	RM'000	*RM'000*
Within 30 days	**54,487**	52,129
31 to 90 days	**64,582**	63,140
Over 90 days	**10,735**	3,710
	129,804	118,979

15. BANK LOANS

	2025	2024
	RM'000	*RM'000*
Bank loans, secured	**6,384**	10,458

The bank loans were repayable as follows:

	2025	2024
	RM'000	*RM'000*
Within 1 year or on demand	**4,410**	4,118
Within a period of more than 1 year but not exceeding 2 years	**1,974**	4,363
Within a period of more than 2 years but not exceeding 5 years	**–**	1,977
	6,384	10,458
Less: Amounts due within 1 year shown under current liabilities	**(4,410)**	(4,118)
Amounts shown under non-current liabilities	**1,974**	6,340

As at 30 June 2025, the Group's banking facilities were secured and guaranteed by:

(i) assets classified as held for sale of approximately RM1,500,000 (2024: investment properties of approximately RM2,200,000);

(ii) deposits paid for acquisition of investment properties of approximately RM12,911,000 (2024: RM12,911,000); and

(iii) deposits with licensed banks of the Group with carrying amounts of approximately RM9,179,000 (2024: RM8,109,000).

16. SHARE CAPITAL

Authorised ordinary shares of HK$0.01 each:

	No. of shares	Amount
		RM'000
At 1 July 2023, 30 June 2024 and 30 June 2025	2,000,000,000	10,535

Issued and fully paid ordinary shares of HK$0.01 each:

	No. of shares	Amount
		RM'000
At 1 July 2023, 30 June 2024 and 30 June 2025	500,000,000	2,672

17. CAPITAL COMMITMENTS

Significant capital expenditure contracted for at the end of each of the reporting period but not recognised as liabilities is as follows:

	2025	2024
	RM'000	*RM'000*
Equipment	**81**	81

18. DISPOSAL OF A NON-WHOLLY OWNED SUBSIDIARY

During the year ended 30 June 2025, the Group entered into a sale agreement to dispose Gabungan Jasapadu Sdn. Bhd., a 50% non-wholly owned subsidiary of the Group which engages in the business of land-based machinery works and rental, to Mr. Toh Ang Poo (the "**Disposal A**"), who together with his spouse, held 50% shares of Gabungan Jasapadu Sdn. Bhd. before the Disposal A.

The net assets of Gabungan Jasapadu Sdn. Bhd., at the date of disposal were as follows:

	2025
	RM'000
Property, plant and equipment	**45**
Deferred tax assets	**4**
Trade and other receivables	**1,551**
Tax recoverable	**9**
Cash and cash equivalents	**202**
Trade and other payables	**(955)**
Non-controlling interests	**(428)**
Net assets disposed of	**428**
Gain on disposal (note 6(c))	**572**
Total consideration	**1,000**
Satisfied by:	
Cash and cash equivalents	**1,000**
Total consideration transferred	**1,000**
Net cash inflows arising on disposal:	
Consideration received in cash and cash equivalents	**1,000**
Less: cash and cash equivalents disposed of	**(202)**
	798

There were no disposals of subsidiaries made during the year ended 30 June 2024. The gain on disposal is included in the loss for the year as disclosed in note 6(c).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an established engineering contractor which engaged in three major types of services:

– Marine construction services – core business, which can be categorised into:

  (a) reclamation and related works, which includes land reclamation and other marine civil works. Reclamation may involve soil investigation, hydrographic survey, pre-reclamation design, sand handling/filling, ground treatment, sand surcharge removal work and other related works. Marine civil works generally include construction of jetty, channel-crossing works, maintenance dredging and river diversion; and

  (b) marine transportation, which involves transportation of marine sand and the filling material normally used in land reclamation, including the loading of marine sand extracted from the approved sand source onto sand carriers and carriage and delivery of marine sand to designated sites where the marine sand is unloaded to be used for land reclamation.

– Building and infrastructure services – the services include general building works in construction of properties and infrastructure works.

– Trading business of marine gas oil – the trading of marine gas oil.

During the year ended 30 June 2025, the Group had completed 3 marine construction contracts (including 2 contracts generated from a non-wholly owned subsidiary before disposal) which were related to reclamation and related works with original contract sum in aggregate of approximately RM53.4 million, and a building and infrastructure contract with original contract sum of approximately RM18.3 million.

As at 30 June 2025, the Group had 3 ongoing marine construction contracts comprising 1 reclamation and related works contract and 2 marine transportation contracts with original contract sum in aggregate of approximately RM1,312.1 million (including estimated original contract sum of contracts which stated at unit rate at time of award), and 3 ongoing building and infrastructure contracts with original contract sum in aggregate of approximately RM152.4 million.

As at 30 June 2024, there were a total of 3 tenders and 2 quotations with expected contract sum in aggregate of approximately RM176.9 million submitted (including a revised quotation submitted subsequently). As at 30 June 2024, the results of the said tenders and quotations had not yet been released. During the year ended 30 June 2025, the Group had submitted 2 quotations for marine construction contracts and 7 tenders and 2 quotations for building and infrastructure contracts with original contract sum in aggregate of approximately RM717.3 million, and the Group had been awarded 2 contracts with original contract sum in aggregate of approximately RM6.5 million. As at 30 June 2025, there were 2 tenders and 2 quotations with expected contract sum in aggregate of approximately RM522.4 million submitted but thus far no results has been returned.

Disposal of a non-wholly owned subsidiary

During the year ended 30 June 2025, the Group entered into a sale agreement to dispose Gabungan Jasapadu Sdn. Bhd. ("**Gabungan**"), a 50% non-wholly owned subsidiary of the Group which engages in the business of land-based machinery works and rental, to Mr. Toh Ang Poo (the "**Disposal A**"), who together with his spouse, held 50% shares of Gabungan before the Disposal A. The consideration of the Disposal A was RM1.0 million and the net assets of Gabungan before the Disposal A was approximately RM0.9 million. A gain on disposal of approximately RM0.6 million was recognised.

The Board is of the view that the Disposal A will present a one-off opportunity for the Group to recoup investment costs and realise assets, turning long-term assets into working capital before the retained earnings being used up and fixed assets being obsolete. The financial results of the Group can be improved. It can also allow the Group to focus its resources on other existing projects which would be having better prospect. The Group can also maintain business relationship with Gabungan and further cooperate in construction projects in future. There was no material adverse impact on its financial position and on the business and operation of the Group. Such transaction constitutes connected transaction as defined under Chapter 14A of the Listing Rules. However, such transaction is fully exempt from all disclosure and independent shareholders' approval requirements under Chapter 14A of the Listing Rules as (i) the transaction is conducted on normal commercial terms or better; and (ii) the transaction is de minimis under Rule 14A.76(1) of the Listing Rules.

Partial disposal of a joint venture

During the year ended 30 June 2025, the Group entered into a share sale agreement to dispose 35% shareholdings of JBB Kimlun Sdn. Bhd. ("**JBB Kimlun**") to a Malaysia incorporated limited company independent to the Group (the "**Disposal B**"). JBB Kimlun, an indirect non-wholly owned subsidiary of the Company under the Companies Ordinance and the Listing Rules, is a joint venture formed between JBB Builders Sdn. Bhd. and Kimlun Sdn. Bhd. as to 60% and 40% respectively, for the purpose of carrying out building construction general service contracts tendered under a property development project for the construction of a 15-storey office complex building (MBJB) with 7-storey vehicle parking basements erected on PTD 233331, Jalan Lingkaran Dalam, Mukim Plentong, Daerah Johor Bahru, Negeri Johor, Malaysia. The consideration of the Disposal B was RM150,000 and the net assets of JBB Kimlun before the Disposal B was approximately RM397,000. A gain on disposal of approximately RM11,000 was recognised.

The Board is of the view that by restructuring the shareholdings of JBB Kimlun with the involvement of Malaysian shareholder, it would help exposing the Group to more business opportunities and have positive impact to the public perception on the background of the Group. Such transaction constitutes connected transaction as defined under Chapter 14A of the Listing Rules. However, such transaction is fully exempt from all disclosure and independent shareholders' approval requirements under Chapter 14A of the Listing Rules as (i) the transaction is conducted on normal commercial terms or better; and (ii) the transaction is de minimis under Rule 14A.76(1) of the Listing Rules.

As at 30 June 2025, the Group had 25% interests in JBB Kimlun and JBB Kimlun remains as the joint venture of the Group while it is no longer an indirect non-wholly-owned subsidiary of the Company under the Companies Ordinance and the Listing Rules.

FINANCIAL REVIEW

Revenue

Revenue increased by approximately RM97.7 million or 29.7% from approximately RM329.3 million for the year ended 30 June 2024 to approximately RM427.0 million for the year ended 30 June 2025. The significant increase in revenue for the year ended 30 June 2025 was primarily due to the increase in volume of work generated from new contracts in relation to reclamation and related works and building and infrastructure services awarded since 2024 with more construction works performed during the year ended 30 June 2025, while partially offsetting by (i) the overall decrease in volume of sand transported generated from marine transportation contracts in Singapore; (ii) no trading business of marine gas oil for the year ended 30 June 2025; and (iii) the completion of certain contracts which contributed to a certain portion of revenue for the year ended 30 June 2024.

Marine construction services

Revenue from marine construction services represented approximately 89.1% of the total revenue for the year ended 30 June 2025. It increased by approximately RM71.7 million or 23.2% from approximately RM308.8 million for the year ended 30 June 2024 to approximately RM380.5 million for the year ended 30 June 2025.

Revenue from reclamation and related works, which represented approximately 28.8% of the total revenue from marine construction services for the year ended 30 June 2025, increased by approximately RM82.6 million or 307.1% from approximately RM26.9 million for the year ended 30 June 2024 to approximately RM109.5 million for the year ended 30 June 2025. Such increase was mainly due to the increase in volume of work generated from new contracts awarded during the year ended 30 June 2024 with progressive work performed during the year ended 30 June 2025, while partially offsetting by the decrease in volume of work performed upon the completion of certain contracts which contributed to a certain portion of revenue for the year ended 30 June 2024.

Revenue from marine transportation, which represented approximately 71.2% of the total revenue from marine construction services for the year ended 30 June 2025, decreased by approximately RM10.9 million or 3.9% from approximately RM281.9 million for the year ended 30 June 2024 to approximately RM271.0 million for the year ended 30 June 2025. Such decrease was mainly due to the overall decrease in volume of sand transported generated from marine transportation contracts in Singapore for the year ended 30 June 2025.

Building and infrastructure services

Revenue from building and infrastructure services represented approximately 10.9% of the total revenue for the year ended 30 June 2025. Revenue from building and infrastructure services increased by approximately RM28.3 million or 155.5% from approximately RM18.2 million for the year ended 30 June 2024 to approximately RM46.5 million for the year ended 30 June 2025. Such increase was mainly due to the increase in volume of work performed from new contracts awarded since 2024 with progressive work performed during the year ended 30 June 2025, while partially offsetting by the decrease in volume of work performed for building and infrastructure services upon the completion of certain contracts which contributed to a certain portion of revenue for the year ended 30 June 2024.

Trading business of marine gas oil

There was no revenue generated from trading business of marine gas oil for the year ended 30 June 2025 compared with approximately RM2.3 million for the year ended 30 June 2024. Given that marine gas oil industry is competitive and our subcontractors mainly demand the marine gas oil from cheaper source suppliers, the Group expects to focus its business on construction in upcoming future.

Gross profit and gross profit margin

Gross profit increased by approximately RM9.4 million or 113.3% from approximately RM8.3 million for the year ended 30 June 2024 to approximately RM17.7 million for the year ended 30 June 2025. The overall gross profit margin increased from approximately 2.5% for the year ended 30 June 2024 to approximately 4.1% for the year ended 30 June 2025.

The increment of gross profit was primarily caused by the increase in revenue as abovementioned and the higher gross profit margin of certain new contracts awarded since 2024 with progressive work performed during the year ended 30 June 2025 compared with other ongoing contracts, while partially offsetting by (i) the provision of liquidated and ascertained damages due to the delay on the completion of building and infrastructure contracts; and (ii) the additional costs incurred for additional works performed during the finalisation of certain final accounts, which contributed to gross loss under the segment of building and infrastructure services.

Other revenue

The other revenue decreased from approximately RM5.8 million for the year ended 30 June 2024 to approximately RM5.7 million for the year ended 30 June 2025, which was mainly due to (i) the decrease in income of arrangement of marine transportation related activities for our subcontractors and suppliers at the site areas amounted to approximately RM0.6 million for the year ended 30 June 2025; (ii) the decrease in interest income on deposits placed in the Group's banks in Malaysia during the year ended 30 June 2025 as a result of the decrease in fixed deposits placed in banks; and (iii) the decrease in imputed interest income on contract assets in relation to part of the balances owing from a customer to be settled by instalments in more than one year given that the balances have been substantially received, while partially offsetting by interest income on trade receivables owing from a customer of approximately RM2.1 million as such customer requested for instalment settlement of the contract sum after the whole construction works completed.

Other net income

Other net income was approximately RM1.5 million for the year ended 30 June 2025. It mainly included (i) gain on disposal of deposits paid for acquisition of investment properties of approximately RM1.3 million; (ii) gain on disposal of Gabungan of approximately RM572,000; (iii) gain on partial disposal of JBB Kimlun of approximately RM11,000; (iv) fair value loss on investment properties of approximately RM700,000; and (v) the recognition of the foreign exchange gain of approximately RM259,000 arising from the translation of foreign currency denominated balances into Ringgit Malaysia.

Other net income was approximately RM0.5 million for the year ended 30 June 2024. It mainly included (i) gain on disposal of deposits paid for acquisition of investment properties of approximately RM314,000; (ii) reversal for impairment loss on deposits paid for acquisition of investment properties of approximately RM181,000; and (iii) the recognition of the foreign exchange loss of approximately RM51,000 arising from the translation of foreign currency denominated balances into Ringgit Malaysia.

(Allowance)/reversal for impairment loss on trade receivables and contract assets

During the year ended 30 June 2025, taking into account of the increase in balances of trade receivables and contract assets, certain customers who cannot fulfill the instalment repayment schedule, and expected loss rate applied based on historical credit loss experience, adjusting factors that are specific to the debtors and assessment of both current and forecasted general economic conditions (including the consideration of the expected loss rate performed by an independent valuer), impairment loss of approximately RM1.6 million was recognised for the year ended 30 June 2025.

During the year ended 30 June 2024, with the improvement of collection from the customers and the agreement of the settlement plan with customers of long aged trade receivables, the credit risk on these customers are significantly decreased, reversal of allowance for impairment loss on trade receivables and contract assets of approximately RM5.7 million was recognised for the year ended 30 June 2024.

General and administrative expenses

General and administrative expenses increased by approximately RM3.5 million or 21.6% from approximately RM16.2 million for the year ended 30 June 2024 to approximately RM19.7 million for the year ended 30 June 2025. Such increase was mainly due to the increase of staff costs arising from the increase of number of staff and increase of staff salaries provided to employees, increase of legal and professional fees and the increase of stamp duty paid arising from the disposal of deposits paid for acquisition of investment properties.

Finance costs

Finance costs decreased from approximately RM1.0 million for the year ended 30 June 2024 to approximately RM0.6 million for the year ended 30 June 2025, which was mainly due to the decrease of interest on bank loans arising from the reduction of balances of bank loans, and the decrease of imputed interest on contract assets.

Income tax expenses

Income tax expenses of approximately RM1.7 million was recorded for the year ended 30 June 2025 as compared with approximately RM0.8 million for the year ended 30 June 2024. The increase was mainly due to the increment of taxable profit of a Singapore subsidiary and a Malaysia subsidiary for the year ended 30 June 2025 as compared with the year ended 30 June 2024.

Profit for the year attributable to owners of the Company

Due to the abovementioned items, the Group reported profit attributable to owners of the Company of approximately RM1.3 million for the year ended 30 June 2025 as compared with approximately RM3.0 million for the year ended 30 June 2024.

Final dividends

Considering the financial results for the year ended 30 June 2025, expected working capital requirements, and current and future business conditions and strategies, the Board does not recommend to declare any final dividends for the year ended 30 June 2025 (2024: nil).

CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and Financial Resources/Capital Structure

The Group finances its working capital requirements through a combination of cash generated from operations, shareholder's equity and banking facilities.

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

As at 30 June 2025, the Group had cash and cash equivalents of approximately RM71.5 million (2024: RM94.1 million), pledged bank deposits of approximately RM9.2 million (2024: RM8.1 million) and fixed deposits with maturity over three months of approximately RM5.7 million (2024: nil). The decrement was mainly due to the net operating and financing activities cash outflows and negative effect of foreign exchange rate changes while netting off the net investing activities cash inflows during the year ended 30 June 2025. All are denominated in Hong Kong dollars, United States dollars, Singapore dollars and Ringgit Malaysia.

As at 30 June 2025, the Group had lease liabilities of approximately RM0.7 million (2024: RM0.7 million) carrying interest rate ranging from 4.3% to 8.5% (2024: ranging from 4.3% to 8.5%). All are denominated in Hong Kong dollars and Ringgit Malaysia. As at 30 June 2025, the Group had bank loans of approximately RM6.4 million (2024: RM10.5 million) carrying interest rate at 7.2% (2024: 7.2%). All are denominated in Ringgit Malaysia. The Group had unutilised banking facilities of approximately RM122.0 million (2024: RM47.0 million).

The Group continued to maintain a healthy liquidity position. The current ratio decreased from approximately 1.7 times as at 30 June 2024 to approximately 1.6 times as at 30 June 2025 which was mainly due to the significant increase in contract liabilities, which contributed to the increase of current liabilities in a larger portion than that of the current assets. The gearing ratio decreased from approximately 8.2% as at 30 June 2024 to approximately 5.4% as at 30 June 2025 which is calculated based on the total loans and borrowings (which represent bank loans and lease liabilities) divided by total equity at the end of the year. The decrease of gearing ratio was mainly due to the decrease of total bank loans and lease liabilities from approximately RM11.2 million as at 30 June 2024 to approximately RM7.1 million as at 30 June 2025.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, or sell assets to reduce debt. No changes in the objective, policies or processes for managing capital were made during the years ended 30 June 2025 and 2024.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risk associated with each class of capital. Based on recommendation of the management, the Group will balance its overall capital structure through the payment of dividends as well as issue of new debt or the redemption of the debt.

There had been no material change in the capital structure of the Group during the year ended 30 June 2025.

Capital commitments

As at 30 June 2025, the Group had capital commitments of approximately RM81,000 (2024: RM81,000).

Pledge of assets

As at 30 June 2025, pledged bank deposits of approximately RM9.2 million (2024: RM8.1 million) have been pledged to banks as security for banking facilities granted to the Group with approximately RM6.8 million (2024: RM5.8 million) related to performance bonds. Pledged bank deposits related to performance bonds include (i) minimum amount of deposits pledged to banks for facility lines for performance bonds; (ii) sinking fund (calculated at 6% of the progress payment from the particular contract related to the corresponding performance bonds); and (iii) interest income of deposits pledged to banks.

Deposits paid for acquisition of investment properties with carrying amount of approximately RM12.9 million (2024: RM12.9 million) and assets classified as held for sale with carrying amount of approximately RM1.5 million (2024: investment properties with carrying amount of approximately RM2.2 million) as at 30 June 2025 were pledged to a bank as security for bank facilities granted to the Group.

Contingent liabilities

As at 30 June 2025, the Group did not have contingent liabilities in respect of performance bonds for contracts in favour of customers (2024: nil). It is in the process of arranging the performance bond related to a new contract awarded in 2024. Meanwhile, such customer accepts additional portion of retention receivables in lieu of performance bond until the performance bond is ready.

The performance bonds were given by banks in favour of some of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sums stipulated in such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released based on the terms of the respective contracts for the relevant customers. The performance bonds were secured and guaranteed by (i) deposits with licensed banks of approximately RM6.8 million; and (ii) corporate guarantees given by the Company as at 30 June 2025.

Risk management

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, contract assets, fixed deposits with maturity over three months, pledged bank deposits and cash at banks. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Trade receivables and contract assets

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at 30 June 2025, approximately 49% (2024: 61%) of the total gross trade receivables and contract assets was due from the Group's largest customer and approximately 99% (2024: 91%) of the total gross trade receivables and contract assets were due from the Group's five largest customers.

For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments and external credit rating, where applicable.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime expected credit losses, which is calculated using a provision matrix. The Group segments its trade receivables and contract assets based on geographic regions, due to different loss patterns experienced in the different regions.

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Other receivables and deposits

The management of the Group makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable. The management of the Group believes that there is no significant increase in credit risk of other receivables and deposits since initial recognition and the Group provided impairment based on 12 months expected credit losses. As at 30 June 2025 and 2024, the Group assessed the expected credit losses for other receivables and deposits were insignificant and thus no loss allowance was recognised.

Cash and cash equivalents, fixed deposits with maturity over three months and pledged bank deposits

Cash and cash equivalents, fixed deposits with maturity over three months and pledged bank deposits are mainly placed with reputable financial institutions with high credit-ratings assigned by international credit-rating agencies. There has been no recent history of default in relation to these financial institutions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to fair value interest rate risk in relation to the Group's fixed-rate short-term fixed deposits with maturity over three months, pledged bank deposits and lease liabilities. The management of the Group considers that the Group's exposure from these fixed-rate short-term fixed deposits with maturity over three months, pledged bank deposits and lease liabilities to interest rate risk is not significant.

The Group's interest rate risk arises primarily from cash at banks and bank loans. Cash at banks and bank loans at variable rates expose the Group to cash flow interest rate risk. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Malaysia base lending rate from the Group's bank loans denominated in Ringgit Malaysia.

Foreign currency exchange risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arises. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and to keep the net exposure to an acceptable level. The Group will consider hedging significant foreign currency exposure should the need arise.

For the risks and uncertainties faced by the Group, please refer to the section headed "Principal risks and uncertainties facing the Group" under the "Directors' Report" in the 2024 annual report.

SIGNIFICANT INVESTMENTS HELD

Save as disclosed in this announcement and the circular of the Company dated 19 July 2022, the Group did not hold any significant investments during the year ended 30 June 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the prospectus of the Company dated 25 April 2019 (the "**Prospectus**"), circular of the Company dated 19 July 2022 and this announcement, the Group did not have other plans for material investments and capital assets as at 30 June 2025.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this announcement, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures during the year ended 30 June 2025.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there were no other important events affecting the Group that have occurred since 30 June 2025 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

Excluding the Directors, the total number of full-time employees of the Group increased from 64 as at 30 June 2024 to 68 as at 30 June 2025 for the expansion of the business activities.

The Group determines the remuneration of its employees with references to market rates and individual's qualifications, experience, skills, performance and contributions. The Group regularly reviews compensation and benefits policies as well as the individual performance of employees and encourages the employees to pursue their professionalism and personal goals.

The Board determined the remuneration of the Directors based on recommendation from the remuneration committee of the Company. The Board took into consideration a number of relevant factors such as salaries paid by comparable companies, job responsibilities, duties and scope, employment conditions elsewhere in the Group, market practices, financial and non-financial performance, and desirability of performance-based remuneration. The remuneration committee of the Company will determine the overall amount of each component of remuneration, taking into account both quantitative and qualitative assessment of performance. No individual Director or any of his/her associates is involved in deciding his/her own remuneration.

No equity-based remuneration (e.g. share options or grants) with performance-related elements shall be granted to independent non-executive Directors. This measure aims to ensure the independent non-executive Directors are demonstrating objective judgement throughout their tenure. This is because equity-based remuneration with performance-related elements may lead to bias in their decision-making and compromise their objectivity and independence.

The Company adopted a share option scheme so that the Company may grant options to the eligible persons as incentives or rewards for their contributions to the Group. In addition, employees are always encouraged to attend job-related seminars, webinars, courses and programs organised by professional or educational institutions, in Malaysia, Singapore, Hong Kong or other jurisdiction.

PROSPECTS

During the year ended 30 June 2025, the Group mainly focused on executing the existing contracts, including (i) a reclamation and related works and marine transportation contract for the land reclamation works and mixed development in the district of Mukim Plentong, Johor; (ii) a reclamation and related works contract for the Maharani Energy Gateway Project in Muar; (iii) a building and infrastructure contract for the construction of a new ultra-modern 5 storey court complex in Johor Bahru, Malaysia including construction of a main building, mechanical and electrical works, interior design, infrastructure works, and landscapes and ancillary building works; and (iv) a building and infrastructure contract of a new ultra-modern 5 storey court complex in Johor with original contract sum in aggregate of approximately RM0.6 billion. The delivery of marine transportation works in Singapore remains stable. Other than those completed contracts, it is expected that these contracts will enhance and strengthen the revenue and profitability of the Group in the near future.

Given (i) the Johor-Singapore Special Economic Zone (the "**JS-SEZ**") agreement has officially been signed which aims to boost trade and strengthen economic connectivity between the two nations in early January 2025; (ii) Johor Bahru-Singapore Rapid Transit System Link project is expected to begin service in early January 2027; and (iii) there are significant foreign investment in data centers, the market sentiment is strong with the roll out of the public projects in the upcoming future. The JS-SEZ offers businesses and investors the opportunity to tap into Singapore's value chain, rapidly growing regional markets and the global market at a lower cost, with greater potential for growth and expansion. It aims to enhance regional economic development and cross-border business interactions, ease the flow of labour to build a dynamic and integrated labour market, build a holistic business ecosystem and enhance ease of doing business, and improve connectivity and cost-effectiveness in trade. The Group is optimistic on the construction business in Malaysia and Singapore and of the view that these offer good prospects to the Group. However, the construction industry remains competitive and short of labour. The inflationary pressures impose negative impact on the Group's profitability.

In September 2025, the consortium of JBB Builders (M) Sdn. Bhd. (a wholly-owned subsidiary of the Company), and Samaiden Sdn. Bhd. (a wholly-owned subsidiary of Samaiden Group Berhad which is a company listed on Bursa Malaysia Securities Berhad (stock code: 0223)) (the "**Consortium**"), received a letter of notification from the Energy Commission of Malaysia. The letter notified the Consortium that it had been selected as a shortlisted bidder to undertake the development of large-scale solar photovoltaic plant of 99.99 MW in Segamat, Johor, Malaysia (the "**Project**"). No legally binding or definitive agreement has yet been entered into among JBB Builders (M) Sdn. Bhd., Samaiden Sdn. Bhd. and the Energy Commission of Malaysia. It is expected that a special purpose vehicle may be incorporated to implement the Project. Further announcement(s) will be made in accordance with the Listing Rules and applicable laws as and when appropriate, and as and when the transaction(s) contemplated thereunder is/are materialised.

The Group believes its liquidity position remains healthy by considering the cash and cash equivalents in hand, available banking facilities, tight cost control measures and capital commitments. The Group is closely monitoring the situation and uncertainties faced by the Group and will pursue the opportunities should the business and financial situation allowed. The Group keeps optimising its business models and portfolios to solidify its market competitiveness by participating in different tenders actively, especially on marine construction services. At the same time, the Group is focusing on executing the existing awarded construction works in order to deliver the quality work on schedule. The Group is actively realising the value of the properties on hand by selling the properties in the market. The Group will leverage its financial position, extensive network from its management, strong quality management system and resources available to implement appropriate business strategies to mitigate the potential adverse impact on its business operations and to ensure sustained value creation.

USE OF PROCEEDS

The net proceeds of the global offering of the Shares received by the Company were approximately HK$125.2 million (approximately RM62.6 million)(Note 1), after deduction of underwriting fees and related listing expenses, of which HK$15.0 million of the total amount of fees and expenses in connection with the global offering of the Shares had been paid from the proceeds of the pre-IPO investments. Set out below is the breakdown of use of net proceeds from the global offering of the Shares from 10 May 2019 (the Listing Date) up to 30 June 2025:

Use of net proceeds as at 30 June 2025	Percentage of net proceeds (Note 2)	Original allocation of the net proceeds (Note 1)	Revised allocation of the unutilised net proceeds (Note 3)	Amount utilised as at 30 June 2025	Unutilised net proceeds balance as at 30 June 2025	Expected timeline on utilising the remaining proceeds (Note 4)
	%	*RM million*	*RM million*	*RM million*	*RM million*	
Acquiring one rebuilt sand carrier from one of the existing subcontractors for marine transportation services	**57.9**	**36.2**	**–**	**–**	**–**	N/A
Purchasing new land-based machineries	**7.3**	**4.6**	**–**	**–**	**–**	N/A
Satisfying performance bonds requirement of prospective projects	**23.4**	**14.7**	**14.7**	**(4.0)**	**10.7**	By June 2028
Upgrading the information technology and project management systems	**0.6**	**0.4**	**0.4**	**(0.3)**	**0.1**	By June 2028
Recruiting and expanding management team for the building and infrastructure works	**3.4**	**2.1**	**2.1**	**(1.7)**	**0.4**	By June 2028
Working capital and general corporate purposes	**7.4**	**4.6**	**4.6**	**(4.6)**	**–**	N/A
Funding and capital requirements for new contracts	**–**	**–**	**40.8**	**(40.8)**	**–**	By June 2028
	100.0	**62.6**	**62.6**	**(51.4)**	**11.2**	

As at 30 June 2025, approximately RM11.2 million (representing approximately 17.9% of the net proceeds from the global offering) had not yet been utilised. The unutilised portion of the net proceeds were deposited in the Group's banks in Malaysia.

Notes:

(1) The net proceeds allocated for each specific use have been adjusted proportionally in the manner as stated in the Prospectus due to the difference between the estimated net proceeds and the actual net proceeds received.

(2) Such utilisation of the net proceeds was in accordance with the proposed allocations as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

(3) On 23 February 2024, the Board has resolved to reallocate part of the unutilised net proceeds as at 31 December 2023 in the sum of approximately RM40.8 million, which was originally allocated for acquiring one rebuilt sand carrier and for purchasing new land-based machineries, to the use of funding and capital requirements for new contracts awarded to the Group. For further details, please refer to the section headed "Change in Use of Proceeds" of the announcement of the Company dated 23 February 2024.

(4) The expected timeline on utilising the remaining proceeds is the best estimation of the Directors based on: (i) the latest information provided by the customers on the expected commencement date of the construction contracts previously secured; (ii) ongoing contracts on hand; and (iii) the present business and economic environment including the consequential impact of COVID-19 outbreak, as of the date of this announcement. In view of the above, the Directors expect the remaining proceeds will be utilised alongside the resumption of the economic activities in general by the year ending 30 June 2028 should the market and economic situation require, and would be subject to change based on the future development of market conditions.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the right to attend and vote at the annual general meeting, the register of members of the Company will be closed from 13 November 2025 to 18 November 2025, both days inclusive, during which no transfer of Shares will be registered. In order to be entitled to attend and vote at the annual general meeting, unregistered holders of Shares should ensure that all transfers of Shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 12 November 2025. The record date for determining the right to attend and vote at the annual general meeting is 18 November 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the year ended 30 June 2025 and up to the date of this announcement, the Board is of the view that the Company had adopted and complied with all applicable code provisions set out in the Corporate Governance Code in the Appendix C1 to the Listing Rules ("**CG Code**").

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions of the Company by the Directors. The Company had made specific enquiry with all the Directors and the Directors confirmed that they have complied with the required standard as set out in the Model Code regarding securities transactions by the Directors during the year ended 30 June 2025 and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the year ended 30 June 2025.

AUDIT COMMITTEE

The Company established the audit committee on 11 April 2019 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision D.3.3 in Part 2 "Principles of Good Corporate Governance, Code Provisions and Recommended Best Practices" of the CG Code. The audit committee consists of three independent non-executive Directors, namely Mr. Tai Lam Shin, Mr. Chan Tsun Choi, Arnold and Ms. Chan Pui Kwan. Mr. Tai Lam Shin is the chairman of the audit committee.

The audit committee of the Company had reviewed the accounting principles and policies adopted by the Group and the financial reporting matters including annual results and the audited consolidated financial statements of the Group for the year ended 30 June 2025.

SCOPE OF WORK OF INDEPENDENT AUDITORS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 30 June 2025 as set out in the preliminary results announcement have been agreed by the Group's external auditors, Crowe Malaysia PLT, to the amounts set out in the Group's audited consolidated financial statements for the year ended 30 June 2025.

The work performed by Crowe Malaysia PLT in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements issued by the International Accounting Standards Board and consequently no assurance has been expressed by Crowe Malaysia PLT on this preliminary results announcement.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the respective websites of the Stock Exchange ***(www.hkexnews.hk)*** and the Company ***(www.jbb.com.my)***. The annual report for the year ended 30 June 2025 containing all the information required by the Listing Rules will be available on the above websites and despatched to shareholders of the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the shareholders of the Company, business partners and customers of the Group for their continued support, guidance and contribution to the Group and appreciation to our management and employees for their hard work and dedication.

By order of the Board
JBB Builders International Limited
Dato' Ng Say Piyu
Chairman and executive Director

Hong Kong, 23 September 2025

As at the date of this announcement, the Board comprises Dato' Ng Say Piyu, Mr. Lam Fung Eng and Mr. Ng Chong Boon, as executive Directors, Datin Ngooi Leng Swee as non-executive Director, Mr. Tai Lam Shin, Mr. Chan Tsun Choi, Arnold and Ms. Chan Pui Kwan as independent non-executive Directors.