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JBB BUILDERS INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1903)

AMENDMENTS OF TERMS OF A MAJOR TRANSACTION SETTLEMENT OF OUTSTANDING CONTRACT SUM PAYABLE BY BUKIT PELALI

Reference is made to the announcements of JBB Builders International Limited (the “**Company**”) dated 22 June 2022, 15 July 2022, 30 August 2022, 5 October 2022 and 12 October 2022, and the circular of the Company dated 19 July 2022 (the “**Circular**”) in respect of the major transaction in relation to the Master Supplemental Agreement to settle the Outstanding Contract Sum in the total sum of approximately RM59.0 million owed to JBB Builders and payable by Bukit Pelali pursuant to the Settlement Transactions. Terms defined in the Circular shall have the same meanings when used herein.

Pursuant to the Master Supplemental Agreement, a sum of approximately RM41.6 million (being approximately 70.6% of the Outstanding Contract Sum) has been settled and paid by Bukit Pelali by way transfer of twenty (20) Contra Properties in October 2022. As for the balance of the Outstanding Contract Sum of approximately RM17.4 million (being approximately 29.4% of the Outstanding Contract Sum), it shall be paid by Bukit Pelali to JBB Builders via twenty two (22) Monthly Installments commencing from June 2022.

Bukit Pelali has duly settled the 1st to 7th Monthly Installments (that is, up to and including December 2022) totaling RM2.8 million in accordance with the Payment Arrangement. However, since January 2023, Bukit Pelali has only paid a further sum of RM900,000 towards the outstanding Monthly Installments. Accordingly, as at the date of this announcement, Bukit Pelali has in aggregate paid a total sum of RM3.7 million to JBB Builders as Monthly Installments pursuant to the Master Supplemental Agreement, representing approximately 21.3% of the total amount of the Monthly Installments (being approximately RM17.4 million), and a balance of approximately RM13.7 million remained outstanding. Bukit Pelali has requested for a variation of the Payment Arrangement in respect of the outstanding Monthly Installments.

The Board hereby announces that on 13 April 2023, JBB Builders, Bukit Pelali and Astaka Padu entered into a supplemental agreement (the “**Supplemental Agreement**”) to the Master Supplemental Agreement, pursuant to which JBB Builders, Bukit Pelali and Astaka Padu have mutually agreed to amend the Payment Arrangement in relation to the Monthly Installments of the Master Supplemental Agreement.

The principal terms of the Supplemental Agreement are as follows:

AMENDMENT OF PAYMENT ARRANGEMENT

(1) Original Payment Arrangement in relation to the Monthly Installments

Pursuant to the Master Supplemental Agreement, JBB Builders and Bukit Pelali agreed, subject to any adjustment in the Final Account (if applicable), a sum of approximately RM17.4 million (being approximately 29.4% of the Outstanding Contract Sum) shall be paid by Bukit Pelali to JBB Builders via twenty two (22) monthly installments as follows:

- (a) For the first six (6) months commencing from the date of the Master Supplemental Agreement, a fixed sum of RM300,000 in cash shall be paid on or before the last day of each month;
- (b) For the 7th month to the 21st month, a fixed sum of RM1,000,000 in cash shall be paid on or before the last day of each month; and
- (c) For the 22nd month, the remaining balance of approximately RM0.6 million in cash shall be paid on or before the last day of the 22nd month in a lump sum.

Under the original Payment Arrangement, the final (22nd) Monthly Installment would have been paid by Bukit Pelali on or before the last day of March 2024.

Amended Payment Arrangement in relation to the Monthly Installments

According to the Supplemental Agreement, the Payment Arrangement in relation to the Monthly Installments is amended as follows (of which Monthly Installments No. 1 to 7 have been duly settled by Bukit Pelali; and the further sum of RM900,000 paid by Bukit Pelali as at the date of this announcement shall be treated as part payment of Monthly Installment No. 8):

No.	Month	Instalment tranche(RM)
1.	June 2022	300,000.00
2.	July 2022	300,000.00
3.	August 2022	300,000.00
4.	September 2022	300,000.00
5.	October 2022	300,000.00
6.	November 2022	300,000.00
7.	December 2022	1,000,000.00
8.	April 2023	1,200,000.00
9.	May 2023	300,000.00
10.	June 2023	300,000.00
11.	July 2023	1,000,000.00
12.	August 2023	1,000,000.00
13.	September 2023	1,000,000.00
14.	October 2023	1,000,000.00
15.	November 2023	1,000,000.00
16.	December 2023	1,000,000.00
17.	January 2024	1,000,000.00
18.	February 2024	1,000,000.00
19.	March 2024	1,000,000.00
20.	April 2024	1,000,000.00
21.	May 2024	2,763,143.26
	Total	17,363,143.26

Save for the amendments disclosed above, all other terms of the Master Supplemental Agreement remain valid and effective. For the avoidance of doubt, the total amount of the Monthly Installments (being approximately RM17.4 million) remain the same.

The amendments to the Payment Arrangement pursuant to the Supplemental Agreement, as compared to the original Payment Arrangement, has the effect of suspending the payment of the outstanding Monthly Installments by Bukit Pelali for three months from January 2023 to March 2023. Moreover, as a result of the revision of the installment amount payable for Monthly Installments No. 8 to 10 above (being RM1.8 million in total, as opposed to RM3.0 million pursuant to the original Payment Arrangement), the time for payment of such difference of RM1.2 million by Bukit Pelali would also be deferred to the last Monthly Installment. Under the revised Payment Arrangement, the final Monthly Installment shall be paid by Bukit Pelali on or before the last day of May 2024.

REASONS FOR THE SUPPLEMENTAL AGREEMENT

As at the date of this announcement, Bukit Pelali has in aggregate paid a total sum of RM3.7 million to JBB Builders as Monthly Installments pursuant to the Master Supplemental Agreement, representing approximately 21.3% of the total amount of the Monthly Installments (being approximately RM17.4 million), and a balance of approximately RM13.7 million remained outstanding. Bukit Pelali has requested for a variation of the Payment Arrangement in respect of the outstanding Monthly Installments. The Group had considered the costs and benefits of various options available to it including taking legal action and enforcing the Property Transfer Documents in respect of the Escrow Properties. Having considered that the final Monthly Installment is only extended for a period of two months, the possibility of further default by Bukit Pelali in the payment of the Monthly Installments is low, and the effect of the amendments of the Payment Arrangement will not have any material adverse impact on the operations or financial position of the Group, the Board considers that the amendments of the Payment Arrangement in relation to the Monthly Installments under the Supplemental Agreement will better protect the Group's interests in recovering the full amount of the balance of the Outstanding Contract Sum from Bukit Pelali in the form of cash. The Group will continue to closely monitor the progress of payment of the Monthly Installments by Bukit Pelali and will take all actions it deems necessary and appropriate to protect the interests of the Company and its Shareholders. As of the date of this announcement, the Board had approved the terms of the Supplemental Agreement, and considered the terms of the Supplemental Agreement are fair and reasonable, made on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

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

Hong Kong, 13 April 2023

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.