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## **JBB BUILDERS INTERNATIONAL LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1903)**

### **PROFIT WARNING**

This announcement is made by JBB Builders International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the five months ended 30 November 2023 and information that is currently available, the Group is expected to record a loss attributable to owners of the Company of not more than RM4 million for the six months ended 31 December 2023, as compared with a profit attributable to owners of the Company of approximately RM3.5 million recorded by the Group for the six months ended 31 December 2022.

Based on the information currently available to the Company, the Board believes that the expected loss of the Company for the six months ended 31 December 2023 is mainly attributable to the combined effect of the following factors:

- (a) a slight increase in revenue for the six months ended 31 December 2023 as compared with the corresponding period in 2022, which was primarily due to the (i) increase in volume of sand transported from marine transportation works in Singapore; (ii) increase in volume of work generated from new contracts awarded during the year ended 30 June 2023 and during the six months ended 31 December 2023, while partially offsetting by the (i) decrease in demand of marine gas oil; and (ii) completion of certain contracts which contributed to a certain portion of revenue for the six months ended 31 December 2022;

- (b) a significant decrease in gross profit for the six months ended 31 December 2023 as compared with the corresponding period in 2022, which was primarily caused by the record of gross loss for the segments of reclamation and related works and building and infrastructure services due to the increase of subcontracting cost as compared with gross profit for the corresponding period in 2022, while partially offsetting by the increase in revenue as abovementioned;
- (c) the recognition of loss allowance for expected credit losses on trade receivables and contract assets caused by the slowdown of the collection of receivables from the customers for the six months ended 31 December 2023 as compared with the recognition of reversal of loss allowance for expected credit losses on trade receivables and contract assets for the corresponding period in 2022; and
- (d) a significant increase of other income for the six months ended 31 December 2023 as compared with the corresponding period in 2022, which was primarily arising from the additional income of arrangement of marine transportation related activities for our subcontractors for the period.

As the Company is still in the process of finalising the results of the Group for the six months ended 31 December 2023, the information contained in this profit warning announcement is only based on the preliminary assessment by the Company's management on the unaudited consolidated management accounts of the Group and the information currently available, which has not been reviewed by the audit committee of the Company nor the Company's auditors, and is subject to changes and adjustments arising from further review. The interim results of the Company for the six months ended 31 December 2023 is expected to be published by the end of February 2024.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 24 January 2024

*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.*