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JBB BUILDERS INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1903)

POSITIVE PROFIT ALERT

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 ten months ended 30 April 2022 and information that is currently available, the Group is expected to record a profit attributable to owners of the Company of not more than RM15 million for the year ending 30 June 2022, as compared with a loss attributable to owners of the Company of approximately RM9.4 million recorded by the Group for the year ended 30 June 2021.

Based on the information currently available to the Company, the Board believes that the expected profit of the Company for the year ending 30 June 2022 is mainly attributable to the combined effect of the following factors:

- (a) a substantial increase in revenue, which was primarily due to (i) the substantial increase in volume of work for reclamation and related works generated from new contracts awarded during the year ending 30 June 2022; (ii) the substantial increase in volume of sand transported generated from a Singapore marine transportation contract secured in June 2020; and (iii) the commencement of trading business of marine gas oil since October 2021, while partially offsetting by the decrease in volume of work for building and infrastructure services following the completion of certain contracts which contributed to a substantial portion for the year ended 30 June 2021;

- (b) a substantial increase in gross profit, which was primarily caused by increase in revenue as abovementioned, while partially offsetting by (i) continuous fixed direct cost incurred; and (ii) the increase in subcontracting costs; and
- (c) the reduction in recognition of loss allowance for expected credit losses on trade receivables and contract assets upon entering of master supplemental agreement with one of the major long outstanding customers.

As the Company is still in the process of finalising the results of the Group for the year ending 30 June 2022, the information contained in this positive profit alert 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 audited by the Company's auditors, and is subject to changes and adjustments arising from further review. The annual results of the Company for the year ending 30 June 2022 is expected to be published by the end of September 2022.

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, 22 June 2022

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.