

TARGET

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JBB BUILDERS INTERNATIONAL LTD: MANAGEMENT IS NOT TOO HAPPY WITH REGARD TO ONE OF THE COMPANY'S CUSTOMERS

At Page 194 of the 2022 Annual Report of JBB Builders International Ltd (Code: 1903, Main Board, The Stock Exchange of Hongkong Ltd), it was stated, under the heading, '**EVENTS SUBSEQUENT TO THE REPORTING PERIOD**', that JBB Builders International Ltd had taken definitive legal action against one of the Company's customers, to wit: Bukit Pelali Properties Sdn Bhd (Bukit Pelali).

JBB Builders International Ltd is seeking RM58,983,000.00 from Bukit Pelali (about \$HK103,220,250.00).

The following is a verbatim copy of the two-paragraph statement, outlining the case of JBB Builders International Ltd and how the Claimant appears to be not particularly happy at the situation as it stood as at Friday, September 23, 2022:

*'On 22 June 2022, the Group entered into an agreement with Bukit Pelali Properties Sdn. Bhd. ("**Bukit Pelali**"), one of the customers and an independent third party to the Group, and Astaka Padu Sdn. Bhd. ("**Astaka Padu**"), a related party of Bukit Pelali and an independent third party to the Group (JBB Builders International Ltd), pursuant to which the Group had conditionally agreed to settle the trade receivables and contract assets owing from Bukit Pelali to the Group with total amount of approximately RM58,983,000 by way of (i) accepting 20 properties located in the Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia with value of approximately RM41,620,000 in aggregate owned by Astaka Padu ("**Contra Properties**") by way of contra and set-off; and (ii) accepting 22 monthly instalments of approximately RM17,363,000 in aggregate to be paid by Bukit Pelali with 9 properties located in the Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia owned by Astaka Padu held for security (the "**Master Supplemental Agreement**"). The Master Supplemental Agreement are conditional upon all the conditions precedent set out in the Master Supplemental Agreement having been obtained and fulfilled by 31 October 2022.*

‘As at 30 June 2022, trade receivables and contract assets owed by Bukit Pelali were approximately RM42,322,000 and RM15,109,000 respectively and were included in as disclosed in notes 17 and 18(a) to the consolidated financial statements, respectively. Upon the fulfillment of the conditions precedent set out in the Master Supplemental Agreement by 31 October 2022 and completion of the transfer of the Contra Properties, trade receivables of approximately RM41,620,000 will be set off by the recognition of non-current deposits paid for acquisition of investment properties for the transfer of the Contra Properties of approximately RM41,620,000 measured at carrying value. It will be recognised as investment properties after the transfer of the title of the Contra Properties subject to fair value measurement with impact reflected in profit or loss in future.

‘As at the date of this annual report (Friday, September 23, 2022) the conditions precedent have not been obtained and fulfilled.’

TARGET Notes

RM = Malaysian ringgit, the legal tender of Malaysia

RM = \$HK1.75

Sen = 100th part of a ringgit.

The 2022 Annual Report Of JBB Builders International Ltd

On or about May 10, 2019, JBB Builders International Ltd sought and obtained a listing of its entire Issued and Fully Paid-Up-Share Capital on the Main Board of The Stock Exchange of Hongkong Ltd.

The Net Proceeds of the Company’s Global Offering netted Management about \$HK125.20 million (equivalent to about RM62.60 million).

As at June 30, 2022, approximately 85.30 percent of the net proceeds from the Global Offering has, still, not been utilised.

The present business of JBB Builders International Ltd – the present business differs, somewhat materially, from the time of Company’s successful application to have its shares, listed on the premier equity market on the **Hongkong Special Administrative Region (HKSAR)** of the **People’s Republic of China (PRC)** – was presented at Page Five (the Chairman’s Statement) of the 2022 Annual Report as follows:

‘COMPANY OVERVIEW

‘The Group is an established engineering contractor which engaged in the business of marine construction services and building and infrastructure services in Malaysia and Singapore. During the year ended 30 June 2022, the Group commenced the trading business of marine gas oil for our subcontractors to perform the marine transportation work to expand the revenue stream and improve the profit of the Group.’

Dato' Ng Say Piyu, the Chairman of the Board of Directors of JBB Builders International Ltd, went ... [CLICK TO ORDER FULL ARTICLE](#)

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