Crowe

Crowe Malaysia PLT
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Chartered Accountants
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19 DEC 2025

The Board of Directors
JRK Holdings Berhad
No. 122, Jalan Dataran Cheras 8,
Cheras Traders Square,
43200 Cheras, Selangor, Malaysia.

Dear Sirs

JRK HOLDINGS BERHAD ("JRK Holdings" or the "Company")
REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION INCLUDED IN A PROSPECTUS

We have completed our assurance engagement to report on the compilation of Pro Forma Consolidated Statements of Financial Position of JRK Holdings and its subsidiaries (collectively known as the "Group") as at 31 July 2025 together with the accompanying notes thereon, for which we have stamped for the purpose of identification, prepared by the Board of Directors of the Company.

The Pro Forma Consolidated Statements of Financial Position have been prepared for inclusion in the Prospectus in connection with the listing and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("the Listing").

The application criteria on the basis of which the Board of Directors of the Company have compiled the Pro Forma Consolidated Statements of Financial Position are described in the in the notes thereon to the Pro Forma Consolidated Statements of Financial Position. The Pro Forma Consolidated Statements of Financial Position are prepared in accordance with the requirements of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note").

The Pro Forma Consolidated Statements of Financial Position have been compiled by the Board of Directors to illustrate the impact of the transactions as set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position as at 31 July 2025 as if the events have been in existence throughout the financial year. As part of this process, information about the Group's financial position as at 31 July 2025 has been extracted by the Board of Directors from the Group's audited financial statements as at 31 July 2025.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

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THE BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Company is responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis as described in notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by the Prospectus Guidelines issued by the Securities Commission Malaysia, about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Board of Directors of the Company on the basis as described in notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

We conducted our engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards as adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis as described in notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinion on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position.

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REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)

The purpose of Pro Forma Consolidated Statements of Financial Position included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Consolidated Statements of Financial Position reflect the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Consolidated Statements of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, Pro Forma Consolidated Statements of Financial Position of the Group have been compiled, in all material respects, on the basis as described in notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

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OTHER MATTER

This letter has been prepared solely for the purpose stated above, in connection with the Listing. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Gerald Lau Beng Tong
03523/08/2026 J
Chartered Accountant

Kuala Lumpur

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APPENDIX A

JRK HOLDINGS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025

	Note	Audited As At 31.7.2025 RM	Adjustment for Subsequent Event RM	Pro Forma I After Adjustment for Subsequent Event RM	Public Issue RM	Pro Forma II After Pro Forma I and Public Issue RM	Utilisation of Proceeds RM	Pro Forma III After Pro Forma II and Utilisation of Proceeds RM
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment		5,825,165		5,825,165		5,825,165		5,825,165
Investment properties		1,281,927		1,281,927		1,281,927		1,281,927
Right-of-use assets		203,795		203,795		203,795		203,795
Inventories		49,732,580		49,732,580		49,732,580		49,732,580
		57,043,467		57,043,467		57,043,467		57,043,467

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

	Note	Audited As At 31.7.2025 RM	Adjustment for Subsequent Event RM	Pro Forma I After Adjustment for Subsequent Event RM	Public Issue RM	Pro Forma II After Pro Forma I and Public Issue RM	Utilisation of Proceeds RM	Pro Forma III After Pro Forma II and Utilisation of Proceeds RM
CURRENT ASSETS								
Inventories		25,991,285		25,991,285		25,991,285		25,991,285
Contract cost assets		152,193		152,193		152,193		152,193
Trade receivables		10,953,886		10,953,886		10,953,886		10,953,886
Other receivables, deposits and prepayments	6.1	18,200,277		18,200,277		18,200,277	[●]	[●]
Contract assets		491,068		491,068		491,068		491,068
Current tax assets		228,165		228,165		228,165		228,165
Fixed deposits with licensed banks		2,364,167		2,364,167		2,364,167		2,364,167
Cash and bank balances	6.2	1,573,583		1,573,583	[●]	[●]	[●]	[●]
		59,954,624		59,954,624		[●]		[●]
TOTAL ASSETS		116,998,091		116,998,091		[●]		[●]

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

	Note	Audited As At 31.7.2025 RM	Adjustment for Subsequent Event RM	Pro Forma I After Adjustment for Subsequent Event RM	Public Issue RM	Pro Forma II After Pro Forma I and Public Issue RM	Utilisation of Proceeds RM	Pro Forma III After Pro Forma II and Utilisation of Proceeds RM
EQUITY AND LIABILITIES								
EQUITY								
Share capital	6.3	27,099,862		27,099,862	[●]	[●]	[●]	[●]
Retained profits	6.4	10,639,122		10,639,122		10,639,122	[●]	[●]
TOTAL EQUITY		37,738,984		37,738,984		[●]		[●]
NON-CURRENT LIABILITIES								
Lease liabilities		43,029		43,029		43,029		43,029
Long-term borrowings		41,338,839		41,338,839		41,338,839		41,338,839
		41,381,868		41,381,868		41,381,868		41,381,868

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

	Note	Audited As At 31.7.2025 RM	Adjustment for Subsequent Event RM	Pro Forma I After Adjustment for Subsequent Event RM	Public Issue RM	Pro Forma II After Pro Forma I and Public Issue RM	Utilisation of Proceeds RM	Pro Forma III After Pro Forma II and Utilisation of Proceeds RM
CURRENT LIABILITIES								
Trade payables		4,265,130		4,265,130		4,265,130		4,265,130
Other payables and accruals		6,657,481		6,657,481		6,657,481		6,657,481
Contract liabilities		1,010,699		1,010,699		1,010,699		1,010,699
Amount owing to related parties		14,258,992		14,258,992		14,258,992		14,258,992
Amount owing to directors		3,145,311		3,145,311		3,145,311		3,145,311
Lease liabilities		168,048		168,048		168,048		168,048
Short-term borrowings		3,647,374		3,647,374		3,647,374		3,647,374
Bank overdrafts		1,402,123		1,402,123		1,402,123		1,402,123
Current tax liabilities		3,322,081		3,322,081		3,322,081		3,322,081
		37,877,239		37,877,239		37,877,239		37,877,239
TOTAL LIABILITIES		79,259,107		79,259,107		79,259,107		79,259,107
TOTAL EQUITY AND LIABILITIES		116,998,091		116,998,091		[●]		[●]
Number of ordinary shares	6.3	11,159,726	691,903,012	703,062,738	[●]	[●]		[●]
Net assets per ordinary share (RM) *		3.38		0.05		[●]		[●]

Notes:-

* Net assets per ordinary share is defined as total equity attributable to owners of the Company over the number of ordinary shares in issue.

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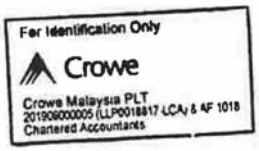
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025

1. ABBREVIATIONS

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report:

JRK Holdings or the Company	:	JRK Holdings Berhad (Registration No: 201801045336 (1307368 - P))
JRK Holdings Group or the Group	:	JRK Holdings and its subsidiaries, collectively
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998 - W))
Eligible Persons	:	Collectively, the Directors, employees and persons who have contributed to the success of the Group who are eligible to participate in the Retail Offering
Public Issue	:	Public issue of 260,000,000 new Shares at the IPO Price
IPO	:	Initial public offering of the Shares in conjunction with the Listing, comprising the Public Issue
IPO Price	:	RM[●] for each IPO Share
IPO Share(s)	:	The Issue Share(s) and Offer Share(s), collectively
Issue Share(s)	:	New Shares to be issued by the Company pursuant to the Public Issue
Listing	:	Admission to the Official List and the listing of and quotation for the entire enlarged issued share capital of JRK Holdings on the ACE Market of Bursa Securities
LPD	:	12 December 2025, being the latest practicable date of the Prospectus
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
MITI	:	Ministry of Investment, Trade and Industry
Offer Share(s)	:	The existing Share(s) to be offered by the Offerors pursuant to the Offer for Sale
Prospectus	:	Prospectus to be issued by the Company
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia



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JRK HOLDINGS BERHAD

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

2. INTRODUCTION

The Pro Forma Consolidated Statements of Financial Position of the Group as at 31 July 2025 ("the Pro Forma Consolidated Statements of Financial Position") together with the notes thereon, for which the Board of Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the Prospectus to be issued by the Company in connection with the IPO of 260,000,000 ordinary shares in conjunction with the listing and quotation of the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities and should not be relied upon for any other purposes.

3. BASIS OF PREPARATION

The Pro Forma Consolidated Statements of Financial Position are prepared based on the audited consolidated statements of financial position of the Group as at 31 July 2025, which are prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards, and in a manner consistent with the format of the financial statements and accounting policies of the Group.

The Pro Forma Consolidated Statements of Financial Position together with the related notes thereon, are prepared solely to illustrate the impact of the events and transactions set out in Note 4 to the Pro Forma Consolidated Statements of Financial Position as at 31 July 2025 had the events occurred or transactions been undertaken as at 31 July 2025.

The Pro Forma Consolidated Statements of Financial Position are not necessary indicative of the financial position that would have been attained had the Listing actually occurred at the respective dates.

The financial statements used in the preparation of the Pro Forma Consolidated Statements of Financial Position as at 31 July 2025 are not subject to any qualification, modification or disclaimer of opinion.

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JRK HOLDINGS BERHAD

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

4. LISTING SCHEME

The following proposals were undertaken in conjunction with, and as an integral part of the Listing:-

4.1 Adjustment for Subsequent Event

Subdivision of Shares

On 1 September 2025, the Company had subdivided every ordinary share of its existing 11,159,726 shares into sixty-three (63) subdivided shares. Following the completion of the subdivision, the total issued share capital will be 703,062,738 shares.

4.2 Public Issue

A total of 260,000,000 Issue Shares, representing approximately 27.00% of the Company's enlarged issued share capital are offered at the IPO price. The Issue Shares shall be allocated in the following manner:-

(i) Malaysian Public

48,160,000 Issue Shares, representing approximately 5.00% of the Company's enlarged issued share capital, are made available for application by the Malaysian Public by way of balloting, of which 50% will be set aside for Bumiputera individuals, companies, societies, cooperatives and institutions.

(ii) Eligible Persons

9,630,000 Issue Shares, representing approximately 1.00% of the Company's enlarged issued share capital, are reserved for the Company's Eligible Persons.

(iii) Private placement to selected investors

81,820,000 Issue Shares, representing approximately 8.50% of Company's enlarged issued share capital, are reserved for private placement to selected investors.

(iv) Private placement to Bumiputera investors approved by MITI

120,390,000 Issue Shares, representing approximately 12.50% of the Company's enlarged issued share capital, are reserved for private placement to Bumiputera investors approved by MITI.

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NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

4. LISTING SCHEME (CONT'D)

The following proposals were undertaken in conjunction with, and as an integral part of the Listing (Cont'd):-

4.3 Listing

Upon completion of the IPO, the Company's entire enlarged issued share capital of approximately RM[●] comprising 963,062,738 Shares shall be listed on the ACE Market of Bursa Malaysia Securities Berhad

4.4 Proposed Utilisation of Proceeds

The estimated gross proceeds from the Public Issue of RM[●] will accrue entirely to the Group and are planned to be utilised in the following manner:-

Utilisation of proceeds	RM	%	Estimated timeframe for utilisation from the date of Listing
Working capital for development purposes (1)	[●]	[●]	Within 24 months
Acquisition and/or joint development (2)	[●]	[●]	Within 24 months
Estimated listing expenses (3)	[●]	[●]	Within 1 month
Total	**[●]**	**[●]**	

Notes:-

(1) The Group intends to utilise the proceeds raised of approximately RM[●] million to supplement the Group's working capital for its on-going and planned development projects over 24 months from the date of the Group's Proposed Listing. The Group's working capital requirements include, amongst others, the payment of main building works, piling works, marketing costs, professional fees to consultants and payments to authorities. The details of the utilisation for the Group's existing and future projects are as follows:-

No.	*Name of development*	*Expected launch date*	*Estimated allocation of proceeds (RM'000)*
1	*JRK Celestia*	*November 2025*	*[●]*
2	*JRK Areca*	*2Q 2026*	*[●]*
3	*JRK PARC*	*2Q 2026*	*[●]*
4	*JRK Delta Residence*	*3Q 2026*	*[●]*
5	*JRK Equine*	*3Q 2026*	*[●]*
	Total		***[●]***

As at LPD, the Group did not enter into any contractual binding arrangements in relation to the above purposes. Accordingly, the use of proceeds earmarked for these purposes are not reflected in the Pro Forma Consolidated Statements of Financial Position.

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JRK HOLDINGS BERHAD

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

4. LISTING SCHEME (CONT'D)

The following proposals were undertaken in conjunction with, and as an integral part of the Listing (Cont'd):-

4.4 Proposed Utilisation of Proceeds (Cont'd)

The estimated gross proceeds from the Public Issue of RM[●] will accrue entirely to the Group and are planned to be utilised in the following manner (Cont'd):-

Notes (Cont'd):-

(2) The Group intends to allocate approximately RM[●] million to fund future acquisitions and/or joint development arrangements in Kuala Lumpur and Selangor, as well as other states in Malaysia if the opportunities are available. This will be achieved either through direct purchase of landbanks, joint development arrangements with landowners, or acquisitions of companies with existing landbanks or development projects, where these landbanks may have obtained the necessary planning and development consents.

Based on the LPD, there are no supportable sale and purchase agreements or contractual binding agreements in relation to the utilisation of proceeds for acquisition of new landbank. Hence, such utilisation of proceeds will not be illustrated in this Pro Forma.

(3) Our Group intends to use the proceeds raised of approximately RM[●] million for professional fees, brokerage, underwriting and placement fees; regulatory fees and other fees and expenses, the details of which are as follows:

No	*Nature of expenses*	*Estimated costs (RM'000)*
1	*Professional fees*	*[●]*
2	*Brokerage, underwriting and placement fees*	*[●]*
3	*Regulatory fees*	*[●]*
4	*Other fees and expenses*	*[●]*
	Total	***[●]***

From the total estimated listing expenses of RM[●] million, a total of approximately RM[●] million is assumed to be directly attributable to the issuance of new shares and therefore will be set off against the share capital. The remaining expenses of approximately RM[●] million are assumed to be attributable to the listing and therefore will be charged to the statements of profit or loss and other comprehensive income. As of 31 July 2025, RM[●] has been debited into other receivables, deposits and prepayments.

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NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

5. PRO FORMA ADJUSTMENTS TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

5.1 Pro Forma I

Pro Forma I incorporates the effects of the subsequent event as set out in Note 4.1 to the Pro Forma Consolidated Statements of Financial Position.

5.2 Pro Forma II

Pro Forma II incorporates the effects of Pro Forma I and the proceeds from the Public Issue as set out in Note 4.2 to the Pro Forma Consolidated Statements of Financial Position.

5.3 Pro Forma III

Pro Forma III incorporates the effects of Pro Forma I, II and Utilisation of Proceeds from Public Issue as set out in Note 4.4 to the Pro Forma Consolidated Statements of Financial Position.

6. EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

6.1 Other receivables, deposits and prepayments

	Note	RM
As at 31 July 2025, Pro Forma I and II		18,200,277
Less: Estimated listing expenses	4.4	[●]
As per Pro Forma III		[●]

6.2 Cash and bank balances

	Note	RM
As at 31 July 2025/As per Pro Forma I		1,573,583
Add: Proceeds from Public Issue	4.2	[●]
As per Pro Forma II		[●]
Less: Estimated listing expenses	4.4	[●]
As per Pro Forma III		[●]

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NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JULY 2025 (CONT'D)

6. EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

6.3 Share capital

	Note	Number of Ordinary Shares	Amount of Share Capital RM
As at 31 July 2025		11,159,726	27,099,862
Add: Subdivision of shares	4.1	691,903,012	-
As per Pro Forma I		703,062,738	27,099,862
Add: Public Issue	4.2	[●]	[●]
As per Pro Forma II		[●]	[●]
Less: Estimated listing expenses	4.4	[●]	[●]
As per Pro Forma III		[●]	[●]

6.3 Retained profits

	Note	RM
As at 31 July 2025, Pro Forma I and II		10,639,122
Less: Estimated listing expenses	4.4	[●]
As per Pro Forma III		[●]

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JRK HOLDINGS BERHAD

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of JRK Holdings Berhad in accordance with a resolution dated 19 DEC 2025

On behalf of the Board of Directors,

Datoʼ Sri Kwan Aik Khai

Lim Boon Kiong

Crowe Malaysia PLT
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The Board of Directors
JRK Holdings Berhad
122, Jalan Dataran Cheras 8,
Cheras Traders Square,
43200 Cheras, Selangor Malaysia.

Dear Sirs and Madams,

REPORTING ACCOUNTANTS' OPINION ON THE CONSOLIDATED FINANCIAL INFORMATION CONTAINED IN THE ACCOUNTANTS' REPORT OF JRK HOLDINGS BERHAD ("THE COMPANY" OR "JRK HOLDINGS")

OPINION

We have audited the consolidated financial information of JRK Holdings and its subsidiaries (collectively referred to as "the Group") which comprise the consolidated statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 July 2025, and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the financial years ended ("FYE") 31 December 2022, 31 December 2023, 31 December 2024 and for the 7-month financial period ("FPE") 31 July 2025, and notes to the consolidated financial statements, including material accounting policy information as set out on pages 4 to 92.

The historical financial information has been prepared for inclusion in the prospectus of JRK Holdings in connection with the listing of and quotation for the enlarged issued share capital of JRK Holdings on the ACE Market of Bursa Malaysia Securities Berhad ("the Prospectus"). This report is required by the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and is given for the purpose of complying with the Guidelines and for no other purpose.

In our opinion, the consolidated financial information gives a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 July 2025, and of its financial performance and cash flows for each of the FYE 31 December 2022, 31 December 2023, 31 December 2024 and FPE 31 July 2025, in accordance with Malaysian Financial Reporting Standards ("MFRS") and the IFRS Accounting Standards.

BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the consolidated financial information* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

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BASIS FOR OPINION (CONT'D)

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL INFORMATION

The Directors of the Company (the "Directors") are responsible for the preparation of the consolidated financial information of the Group that give a true and fair view in accordance with MFRS and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of the consolidated financial information that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial information of the Group, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL INFORMATION

Our objectives are to obtain reasonable assurance about whether the consolidated financial information of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial information.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial information of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL INFORMATION (CONT'D)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (Cont'd):

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial information of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial information of the Group, including the disclosures, and whether the consolidated financial information of the Group represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RESTRICTION ON DISTRIBUTION AND USE

This report is made solely to the Group for inclusion in the prospectus of JRK Holdings in connection with the listing of and quotation for the entire enlarged issued share capital of JRK Holdings on the ACE Market of Bursa Malaysia Securities Berhad. As such, this report should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Crowe

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Gerald

Gerald Lau Beng Tong
03523/08/2026 J
Chartered Accountant

Kuala Lumpur

19 DEC 2025

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		<---------- Audited ---------->			
		<---------- As at 31 December ---------->			As at 31
		2022	**2023**	**2024**	**July 2025**
	Note	RM	RM	RM	RM
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	267,251	2,160,315	2,912,285	5,825,165
Investment properties	5	-	-	1,288,586	1,281,927
Right-of-use assets	6	1,006,800	704,000	306,119	203,795
Inventories	7	13,356,941	31,130,005	45,521,118	49,732,580
Goodwill	8	-	-	-	-
		14,630,992	33,994,320	50,028,108	57,043,467
CURRENT ASSETS					
Inventories	7	18,681,158	11,661,926	5,935,459	25,991,285
Contract cost assets	9	28,646,208	22,802,348	8,077,980	152,193
Trade receivables	10	5,130,376	7,557,625	3,922,986	10,953,886
Other receivables, deposits and prepayments	11	1,448,066	21,847,937	31,014,239	18,200,277
Contract assets	12	24,370,911	10,552,479	20,957,536	491,068
Current tax assets		6,543	-	216,654	228,165
Fixed deposits with licensed banks	13	1,034,768	3,881,753	3,408,230	2,364,167
Cash and bank balances	14	2,391,161	12,595,847	4,311,166	1,573,583
		81,709,191	90,899,915	77,844,250	59,954,624
TOTAL ASSETS		96,340,183	124,894,235	127,872,358	116,998,091

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

		<---------- Audited ---------->			
		<---------- As at 31 December ---------->			As at 31
		2022	2023	2024	July 2025
	Note	RM	RM	RM	RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	15	27,099,862	27,099,862	27,099,862	27,099,862
Retained profits		1,072,202	8,417,316	19,355,323	10,639,122
Equity attributable to owners of the Company		28,172,064	35,517,178	46,455,185	37,738,984
Non-controlling interests		883,685	1,426,184	2,350,987	-
TOTAL EQUITY		29,055,749	36,943,362	48,806,172	37,738,984
NON-CURRENT LIABILITIES					
Lease liabilities	16	560,693	121,754	182,888	43,029
Long-term borrowings	17	5,467,297	12,475,696	24,782,502	41,338,839
		6,027,990	12,597,450	24,965,390	41,381,868
CURRENT LIABILITIES					
Trade payables	20	7,011,250	3,153,776	3,959,806	4,265,130
Other payables and accruals	21	19,386,266	9,792,726	9,172,432	6,657,481
Contract liabilities	12	9,469,015	40,420,810	22,770,510	1,010,699
Amount owing to related parties	22	13,171,967	9,202,228	11,158,169	14,258,992
Amount owing to directors	23	5,603,247	5,775,939	850,115	3,145,311
Lease liabilities	16	465,140	610,471	138,911	168,048
Short-term borrowings	24	3,414,196	1,328,193	1,994,449	3,647,374
Bank overdrafts	26	-	-	-	1,402,123
Current tax liabilities		2,735,363	5,069,280	4,056,404	3,322,081
		61,256,444	75,353,423	54,100,796	37,877,239
TOTAL LIABILITIES		67,284,434	87,950,873	79,066,186	79,259,107
TOTAL EQUITY AND LIABILITIES		96,340,183	124,894,235	127,872,358	116,998,091

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		<---------- Audited ---------->			Unaudited	Audited
		<-- Financial Year Ended ("FYE") 31 December -->			1.1.2024 to	1.1.2025 to
		2022	2023	2024	31.7.2024	31.7.2025
	Note	RM	RM	RM	RM	RM
REVENUE	27	52,931,108	65,092,484	117,648,930	83,479,155	49,593,481
COST OF SALES		(34,291,582)	(38,213,897)	(80,645,701)	(60,132,445)	(28,970,540)
GROSS PROFIT		18,639,526	26,878,587	37,003,229	23,346,710	20,622,941
OTHER INCOME		69,143	129,257	818,249	352,366	417,841
		18,708,669	27,007,844	37,821,478	23,699,076	21,040,782
ADMINISTRATIVE EXPENSES		(4,751,086)	(7,512,980)	(8,222,406)	(3,834,720)	(6,599,257)
SELLING AND DISTRIBUTION EXPENSES		(2,400,444)	(2,557,608)	(5,372,269)	(3,423,841)	(1,811,608)
OTHER EXPENSES		(668,795)	(1,343,587)	(1,401,237)	(892,070)	(585,236)
FINANCE COSTS		(1,938,823)	(4,117,792)	(1,878,863)	(1,145,849)	(1,285,824)
NET (IMPAIRMENT LOSSES)/REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS		-	-	(570,492)	-	130,192
PROFIT BEFORE TAXATION	28	8,949,521	11,475,877	20,376,211	14,402,596	10,889,049
INCOME TAX EXPENSE	29	(2,437,000)	(3,588,264)	(6,513,401)	(4,123,480)	(3,656,446)
PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR/PERIOD		6,512,521	7,887,613	13,862,810	10,279,116	7,232,603

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

		<---------- Audited ---------->			Unaudited	Audited
		<---------- FYE 31 December ---------->			1.1.2024 to	1.1.2025 to
		2022	2023	2024	31.7.2024	31.7.2025
	Note	RM	RM	RM	RM	RM
PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-						
Owners of the Company		5,593,471	6,511,013	10,921,590	7,539,362	7,102,817
Non-controlling interests		919,050	1,376,600	2,941,220	2,739,754	129,786
		6,512,521	7,887,613	13,862,810	10,279,116	7,232,603
EARNINGS PER SHARE (RM)						
- Basic	30	0.50	0.58	0.98	0.68	0.64
- Diluted	30	0.50	0.58	0.98	0.68	0.64

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Audited	Note	Share Capital RM	(Accumulated Loss)/ Retained Profits RM	Non-Controlling Interests RM	Total Equity RM
Balance at 1.1.2022		27,099,862	(4,521,269)	(35,365)	22,543,228
Profit after taxation/Total comprehensive income for the financial year		-	5,593,471	919,050	6,512,521
Balance at 31.12.2022/1.1.2023		27,099,862	1,072,202	883,685	29,055,749
Profit after taxation/Total comprehensive income for the financial year		-	6,511,013	1,376,600	7,887,613
Acquisition of non-controlling interest	31.2	-	834,101	(834,101)	-
Balance at 31.12.2023/1.1.2024		27,099,862	8,417,316	1,426,184	36,943,362
Profit after taxation/Total comprehensive income for the financial year		-	10,921,590	2,941,220	13,862,810
Acquisition of non-controlling interest	31.2	-	16,417	(2,016,417)	(2,000,000)
Balance at 31.12.2024/1.1.2025		27,099,862	19,355,323	2,350,987	48,806,172
Profit after taxation/Total comprehensive income for the financial period		-	7,102,817	129,786	7,232,603
Distribution to owners of the Company: - Dividends	32	-	(14,999,788)	-	(14,999,788)
Acquisition of non-controlling interest	31.2	-	(819,230)	(2,480,773)	(3,300,003)
Balance at 31.7.2025		27,099,862	10,639,122	-	37,738,984

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Unaudited	Note	Share Capital RM	(Accumulated Loss)/ Retained Profits RM	Non-Controlling Interests RM	Total Equity RM
Balance at 31.12.2023/1.1.2024		27,099,862	8,417,316	1,426,184	36,943,362
Profit after taxation/Total comprehensive income for the financial period		-	7,539,362	2,739,754	10,279,116
Acquisition of non-controlling interest	31.2	-	16,417	(2,016,417)	(2,000,000)
Balance at 31.7.2024		27,099,862	15,973,095	2,149,521	45,222,478

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF CASH FLOWS

		<---------- Audited ---------->			Unaudited	Audited
		<---------- FYE 31 December ---------->			1.1.2024 to	1.1.2025 to
		2022	2023	2024	31.7.2024	31.7.2025
	Note	RM	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before taxation		8,949,521	11,475,877	20,376,211	14,402,596	10,889,049
Adjustments for:-						
Bargain purchase on acquisition of a subsidiary	31.1	-	-	(144,983)	(144,983)	-
Depreciation:						
- property, plant and equipment		28,965	494,964	541,412	306,278	345,217
- investment properties		-	-	11,414	7,552	6,659
- right-of-use assets		451,642	568,859	648,411	378,240	196,715
Deposit written off		-	-	200,000	200,000	-
Impairment loss on goodwill		181,812	-	-	-	-
Impairment loss/(Reversal of impairment loss) on trade receivables		-	-	570,492	-	(130,192)
Deposits received forfeited		-	(500)	(9,800)	(9,800)	-
Interest income		(18,535)	(107,254)	(251,444)	(188,563)	(139,920)
Interest expense		1,938,823	4,117,792	1,878,863	1,145,849	1,285,824
Operating profit before working capital changes		11,532,228	16,549,738	23,820,576	16,097,169	12,453,352
Decrease/(Increase) in inventories		10,779,972	3,878,968	3,368,791	1,452,277	(4,117,288)
(Increase)/Decrease in contract cost assets		(7,483,466)	5,843,860	14,724,368	10,614,021	7,925,787
Decrease/(Increase) in contract assets		809,996	13,818,432	(10,405,057)	(8,032,571)	20,466,468
(Increase)/Decrease in trade and other receivables		(3,255,771)	(22,826,620)	9,014,711	3,583,317	3,763,254
Decrease in trade and other payables		(6,765,622)	(13,604,414)	(1,204,818)	(4,104,315)	(2,299,110)
Increase/(Decrease) in contract liabilities		9,469,015	30,951,795	(17,650,300)	(4,405,419)	(21,759,811)
Increase/(Decrease) in amount owing to related parties		620,276	(8,596,091)	5,269,812	6,303,292	4,421,764
CASH FROM OPERATIONS		15,706,628	26,015,668	26,938,083	21,507,771	20,854,416

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

		<---------- Audited ---------->			Unaudited	Audited
		<---------- FYE 31 December ---------->			1.1.2024 to	1.1.2025 to
		2022	2023	2024	31.7.2024	31.7.2025
	Note	RM	RM	RM	RM	RM
CASH FROM OPERATIONS		15,706,628	26,015,668	26,938,083	21,507,771	20,854,416
Income tax paid		(6,543)	(1,248,372)	(7,701,208)	(3,258,894)	(4,404,582)
Income tax refunded		-	568	-	-	2,302
Interest received		-	107,254	217,811	157,322	139,920
Interest paid		(389,894)	(2,189,880)	(72,590)	(162,544)	(39,652)
NET CASH FROM OPERATING ACTIVITIES		15,310,191	22,685,238	19,382,096	18,243,655	16,552,404
CASH FLOWS USED IN INVESTING ACTIVITIES						
Additional cost of development land		(123,156)	-	-	-	-
Additional investments in existing subsidiaries		-	-	(2,000,000)	(2,000,000)	(3,300,003)
Additions to land held for property development		-	(14,632,800)	(12,796,378)	(6,695,200)	(18,000,000)
(Additions)/Withdrawal of fixed deposits with tenure more than 3 months		-	(1,392,608)	(288,651)	(276,959)	1,681,259
(Additions)/Withdrawal of pledged fixed deposits		(7,789)	403,739	(1,002,630)	(1,858,116)	(637,196)
Deposit paid for additions of land held for property development		-	-	(14,500,000)	(12,500,000)	-
Interest received		18,535	-	-	-	-
Purchase of property, plant and equipment	33(a)	(122,907)	(305,904)	(67,601)	(178,620)	(3,043,097)
Acquisition of a subsidiary, net of cash and cash equivalents acquired	31.1	-	-	39,558	39,558	-
NET CASH USED IN INVESTING ACTIVITIES		(235,317)	(15,927,573)	(30,615,702)	(23,469,337)	(23,299,037)

JRK HOLDINGS BERHAD

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

		<---------- Audited ---------->			Unaudited	Audited
		<---------- FYE 31 December ---------->			1.1.2024 to	1.1.2024 to
		2022	2023	2024	31.7.2024	31.7.2025
	Note	RM	RM	RM	RM	RM
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES						
Advances from related parties	33(b)	-	6,204,805	-	-	-
Advances from a director	33(b)	4,925,000	9,654,870	146,235	118,831	5,680,000
Dividend paid	32	-	-	-	-	(14,999,788)
Drawdown of term loans	33(b)	-	11,270,000	12,684,330	-	18,600,000
Drawdown of promissory notes	33(b)	-	3,501,101	3,527,213	1,721,937	2,158,503
Interest paid	33(b)	(997,146)	(978,738)	(1,335,917)	(537,956)	(1,252,726)
Repayment to directors	33(b)	(2,306,295)	(9,482,178)	(5,746,668)	(3,669,043)	(3,384,804)
Repayment to related parties	33(b)	-	(2,374,227)	(3,485,214)	(356,243)	(1,139,754)
Repayment of term loans	33(b)	(15,060,594)	(8,979,878)	(289,193)	(113,178)	(388,660)
Repayment of hire purchase obligations	33(b)	-	(313,104)	(286,265)	(158,299)	(199,944)
Repayment of promissory notes	33(b)	-	(2,637,847)	(3,462,756)	(1,264,667)	(2,260,787)
Repayment of lease liabilities	33(b)	(510,312)	(559,667)	(660,956)	(376,219)	(205,113)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES		(13,949,347)	5,305,137	1,090,809	(4,634,837)	2,606,927
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,125,527	12,062,802	(10,142,797)	(9,860,519)	(4,139,706)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		1,265,634	2,391,161	14,453,963	14,453,963	4,311,166
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	33(d)	2,391,161	14,453,963	4,311,166	4,593,444	171,460

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

JRK Holdings was incorporated in Malaysia on 12 December 2018 as a public company and a company limited by shares with the name of JRK Holdings Berhad. The Company is an investment holding and management services company.

The registered office and principal place of business are as follows:-

Registered office	:	Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor.
Principal place of business	:	122, Jalan Dataran Cheras 8, Cheras Traders Square, 43200 Cheras, Selangor Darul Ehsan.

The principal activities and details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent <-- As at 31 December --> 2022 Audited %	2023 Audited %	2024 Audited %	31 July 2025 Audited %	Principal Activities
Buana Perdana Sdn. Bhd. ("Buana Perdana")	Malaysia	90	96	96	100	Property development.
JRK Asset Sdn. Bhd. ("JRK Asset")	Malaysia	100	100	100	100	Property development.
JRK Capital Sdn. Bhd. ("JRK Capital")	Malaysia	70	70	70	100	Property development (Dormant).
JRK Development Sdn. Bhd. ("JRK Development")	Malaysia	100	100	100	100	Property development.
JRK Estate Sdn. Bhd. ("JRK Estate")	Malaysia	60	60	60	100	Licensed money lending.
JRK Land Sdn. Bhd. ("JRK Land ")	Malaysia	100	100	100	100	Property development.
Twinwood Development Sdn. Bhd. ("Twinwood Development")	Malaysia	60	60	90	90	Property development.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION (CONT'D)

The principal activities and details of the subsidiaries are set out as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent <-- As at 31 December --> 2022 Audited %	2023 Audited %	2024 Audited %	31 July 2025 Audited %	Principal Activities
JRK Property Sdn. Bhd. ("JRK Property")	Malaysia	-	-	100	100	Property development.
JRK (Seri Kembangan) Sdn. Bhd. ("JRK (Seri Kembangan)")	Malaysia	-	-	100	100	Property development.
JRK (Damansara) Sdn. Bhd. ("JRK (Damansara)")	Malaysia	-	-	-	100	Property development.

The Company and the above entities are collectively defined as "the Group".

2. BASIS OF PREPARATION

The consolidated financial statements of the Company are prepared based on the financial statements for the relevant financial years as follows:-

	Note	<---------- FYE 31 December ----------> 2022	2023	2024	FPE 31 July 2025
JRK Holdings		√	√	√	√
Buana Perdana	(i)	√	√	√	√
JRK Asset		√	√	√	√
JRK Capital	(ii)	√	√	√	√
JRK Development	(iii)	√	√	√	√
JRK Estate	(iv)	√	√	√	√
JRK Land		√	√	√	√
Twinwood Development	(v)	√	√	√	√
JRK Property	(vi)	-	-	√	√
JRK (Seri Kembangan)	(vii)	-	-	√	√
JRK (Damansara)	(viii)	-	-	-	√

√ The consolidated financial statements of the Company include the financial statements of these entities for the respective financial years.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

(i) On 18 April 2023, the Company acquired an additional 6% equity interests in Buana Perdana for a total cash consideration of RM2,000,000, increasing its ownership from 90% to 96%. On 24 April 2025, the Company acquired remaining 4% equity interests in Buana Perdana for a consideration of RM2,500,000. Following the completion of acquisition, Buana Perdana became a wholly-owned subsidiary of the Company. The details of the acquisition are disclosed in Notes 31.2(a) and 31.2(c) to the consolidated financial statements.

(ii) On 30 July 2025, the Company acquired remaining 30% equity interest in JRK Capital for a consideration of RM3. Following the completion of acquisition, Buana Perdana become a wholly-owned subsidiary of the Company. The details of the acquisition are disclosed in Note 31.2(e) to the consolidated financial statements.

(iii) On 27 December 2023, the Company subscribed for an additional 999,000 ordinary shares in JRK Development for a total cash consideration of RM999,000.

(iv) On 24 April 2025, the Company acquired remaining 40% equity interest in JRK Estate for a consideration of RM800,000. Following the completion of acquisition, JRK Estate become a wholly-owned subsidiary of the Company. The details of the acquisition are disclosed in Note 31.2(b) to the consolidated financial statements.

(v) On 8 April 2024, the Company has acquired an additional of 600,003 units of ordinary shares in Twinwood Development for a total consideration of RM2,000,000. Following the acquisition, the Company's equity interest in Twinwood Development increased to 90%. With the remaining 10% held by JRK Land, Twinwood Development became a wholly-owned subsidiary of the Company. The details of the acquisition are disclosed in Note 31.2(d) to the consolidated financial statements.

(vi) JRK Property was not consolidated in FYE 2022 and FYE 2023 as it was acquired and became a wholly-owned subsidiary on 13 May 2024.

(vii) JRK (Seri Kembangan) was incorporated on 17 May 2024 with an issued share capital of RM2 comprising 2 ordinary shares. On 17 May 2024, JRK Holdings had subscribed for 2 ordinary shares representing 100% equity interest in JRK (Seri Kembangan).

(viii) JRK (Damansara) was incorporated in 21 July 2025 with an issued share capital of RM1 comprising 1 ordinary share. On 21 July 2025, JRK Holdings had subscribed for 1 ordinary share representing 100% equity interest in JRK (Damansara).

2.1 The consolidated financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with MFRS, IFRS Accounting Standards and Prospectus Guidelines.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

2.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year/period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability Disclosures	1 January 2027
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the consolidated financial statements of the Group upon its initial application except as follows:-

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group has yet to be assessed.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 4 to the consolidated financial statements.

(b) Impairment of Property, Plant and Equipment

The Group determines whether an item of its property, plant and equipment is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. The evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 4 to the consolidated financial statements.

(c) Write-down of Inventories

Inventories held for sale are stated at the lower of cost or net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices.

Inventories held for sale are reviewed on a regular basis and the Group will make an allowance for impairment primarily based on historical trends and management estimates of expected and future product demand and related pricing. Demand and pricing levels could change from time to time. If such factors result in an adverse effect on the Group's products, the Group provides additional allowances for slow moving inventories.

The carrying amount of the Group's completed properties as at reporting date is disclosed in Note 7 to the consolidated financial statements.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period other than as disclosed below (Cont'd):-

(d) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 10 and 12 to the consolidated financial statements respectively.

(e) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amount of other receivables as at the reporting date are disclosed in Note 11 to the consolidated financial statements.

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period other than as disclosed below (Cont'd):-

(f) Income Taxes (Cont'd)

The carrying amounts of the current tax assets and current tax liabilities of the Group as at the reporting date are as follows:-

	<---------- Audited ---------->			
	<---------- FYE 31 December ---------->			**As at 31**
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Current tax assets	6,543	-	216,654	228,165
Current tax liabilities	(2,735,363)	(5,069,280)	(4,056,404)	(3,322,081)

(g) Revenue and Cost Recognition of Property Development Activities

The Group recognises property development revenue as and when the control of the asset is transferred to a customer and it is probable that the Group will collect the consideration to which it will be entitled. The control of the asset may transfer over time or at a point in time depending on the terms of the contract with the customer and the applicable laws governing the contract.

When the control of the asset is transferred over time, the Group recognises property development revenue and costs by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period. This is measured based on the Group's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred. Substantial changes in property development cost estimates in the future can have a significant effect on the Group's results. In making the judgement, the Group evaluates and relies on past experience and works of specialists.

(h) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group which will have a significant effect on the amounts recognised in the consolidated financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

3.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

3.4 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Leasehold land	82 years
Computer and software	10% - 20%
Furniture and fittings	10% - 20%
Motor vehicles	20%
Office equipment	10% - 20%
Renovation	10% - 20%
Signboard	10% - 20%
Site equipment	20%

Capital work-in-progress represent sales gallery under construction. They are not depreciated until such time when the asset is available for use.

3.5 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other investment property is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation rate is:-

Building	3%

3.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Leases of Low-value Assets

The Group applies the "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

3.7 INVENTORIES

Land Held For Property Development

Land held for property development is stated at the lower of cost and net realisable value. Cost comprises cost associated with the purchase of land, conversion fees and other relevant levies.

Land held for property development comprise land banks which are in the process of being prepared for development but have not been commenced, or where development activities are not expected to commence within the normal operating cycle. Generally no significant development work would have been undertaken on these lands other than project planning, infrastructure work, earth work and landscape work incurred to prepare the land for development.

Land held for property development is transferred to property development cost category when development activities have commenced and are expected to be launched within the normal operating cycle.

Inventories

Completed properties are stated at the lower of cost and net realisable value. Cost is determined specific identification and comprises cost associated with the purchase of land (including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use), construction costs and other related development costs incurred in bringing the inventories to their present location and condition.

Property Development Costs

Property development costs are stated at the lower of cost and net realisable value. Cost comprises cost associated with the purchase of land, conversion fees, aggregate cost of development, materials and supplies, wages and other direct expenses.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.7 INVENTORIES (CONT'D)

Property Development Costs (Cont'd)

The property development costs of unsold units are transferred to inventories once the development is completed.

4. PROPERTY, PLANT AND EQUIPMENT

	At 1.1.2022 RM	Additions RM	Depreciation Charges RM	At 31.12.2022 RM
Audited 31 December 2022				
Carrying Amount				
Computer and software	82,500	71,856	(14,140)	140,216
Furniture and fittings	51,502	30,272	(8,414)	73,360
Office equipment	32,409	10,779	(4,430)	38,758
Signboard	6,898	10,000	(1,981)	14,917
	173,309	122,907	(28,965)	267,251

	At 1.1.2023 RM	Additions RM	Depreciation Charges RM	At 31.12.2023 RM
Audited 31 December 2023				
Carrying Amount				
Computer and software	140,216	69,238	(24,297)	185,157
Furniture and fittings	73,360	37,139	(12,861)	97,638
Motor vehicles	-	2,226,219	(445,244)	1,780,975
Office equipment	38,758	53,533	(10,201)	82,090
Signboard	14,917	-	(1,981)	12,936
Site equipment	-	1,899	(380)	1,519
	267,251	2,388,028	(494,964)	2,160,315

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.1.2024 RM	Transfer from Inventories (Note 7) RM	Additions RM	Depreciation Charges RM	At 31.12.2024 RM
Audited 31 December 2024					
Carrying Amount					
Leasehold land	-	601,041	-	(7,330)	593,711
Computer and software	185,157	-	20,288	(26,455)	178,990
Furniture and fittings	97,638	-	23,732	(15,233)	106,137
Motor vehicles	1,780,975	-	254,438	(479,160)	1,556,253
Office equipment	82,090	-	6,743	(10,873)	77,960
Signboard	12,936	-	-	(1,981)	10,955
Site equipment	1,519	-	-	(380)	1,139
Capital work-in-progress	-	387,140	-	-	387,140
	2,160,315	988,181	305,201	(541,412)	2,912,285

	At 1.1.2025 RM	Additions RM	Depreciation Charges RM	At 31.7.2025 RM
Audited 31 July 2025				
Carrying Amount				
Leasehold land	593,711	-	(4,276)	589,435
Computer and software	178,990	27,159	(16,690)	189,459
Furniture and fittings	106,137	12,500	(9,615)	109,022
Motor vehicles	1,556,253	259,000	(306,677)	1,508,576
Office equipment	77,960	10,800	(6,582)	82,178
Signboard	10,955	-	(1,156)	9,799
Site equipment	1,139	-	(221)	918
Capital work-in-progress	387,140	2,948,638	-	3,335,778
	2,912,285	3,258,097	(345,217)	5,825,165

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
Audited 31 December 2022			
Computer and software	170,163	(29,947)	140,216
Furniture and fittings	233,653	(160,293)	73,360
Motor vehicles	97,350	(97,350)	-
Office equipment	125,452	(86,694)	38,758
Renovation	45,803	(45,803)	-
Signboard	27,010	(12,093)	14,917
	699,431	(432,180)	267,251
Audited 31 December 2023			
Computer and software	239,401	(54,244)	185,157
Furniture and fittings	270,792	(173,154)	97,638
Motor vehicles	2,323,569	(542,594)	1,780,975
Office equipment	178,985	(96,895)	82,090
Renovation	45,803	(45,803)	-
Signboard	27,010	(14,074)	12,936
Site equipment	1,899	(380)	1,519
	3,087,459	(927,144)	2,160,315
Audited 31 December 2024			
Leasehold land	601,041	(7,330)	593,711
Computer and software	259,689	(80,699)	178,990
Furniture and fittings	294,524	(188,387)	106,137
Motor vehicles	2,578,007	(1,021,754)	1,556,253
Office equipment	185,728	(107,768)	77,960
Renovation	45,803	(45,803)	-
Signboard	27,010	(16,055)	10,955
Site equipment	1,899	(760)	1,139
Capital work-in-progress	387,140	-	387,140
	4,380,841	(1,468,556)	2,912,285

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
Audited 31 July 2025			
Leasehold land	601,041	(11,606)	589,435
Computer and software	286,848	(97,389)	189,459
Furniture and fittings	307,024	(198,002)	109,022
Motor vehicles	2,837,007	(1,328,431)	1,508,576
Office equipment	196,528	(114,350)	82,178
Renovation	45,803	(45,803)	-
Signboard	27,010	(17,211)	9,799
Site equipment	1,899	(981)	918
Capital work-in-progress	3,335,778	-	3,335,778
	7,638,938	(1,813,773)	5,825,165

(a) Included in the property, plant and equipment of the Group are the following assets held under hire purchase arrangements:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31 July 2025
	2022 RM	2023 RM	2024 RM	RM
Motor vehicles	-	1,780,975	1,556,253	1,508,576

These assets have been pledged as security for the hire purchase payables of the Group as disclosed in Note 19 to the consolidated financial statements.

(b) Included in the carrying amount of the property, plant and equipment of the Group was leasehold land pledged to financial institution as security for the banking facilities granted to the Group as disclosed in Notes 18, 25 and 26 to the consolidated financial statements.

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31 July 2025
	2022 RM	2023 RM	2024 RM	RM
Leasehold land	-	-	593,711	589,435

(c) The Group's capital work-in-progress represents capital expenditures incurred for sales gallery under construction.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. INVESTMENT PROPERTIES

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			**As at 31 July 2025**
	2022 RM	**2023** RM	**2024** RM	**RM**
Cost:-				
At 1 January	-	-	-	1,300,000
Acquisition of a subsidiary (Note 31.1)	-	-	1,300,000	-
At 31 December/ 31 July	-	-	1,300,000	1,300,000
Accumulated depreciation:-				
At 1 January	-	-	-	(11,414)
Depreciation during the financial year/ period	-	-	(11,414)	(6,659)
At 31 December/ 31 July	-	-	(11,414)	(18,073)
	-	-	1,288,586	1,281,927
Represented by:-				
Freehold land	-	-	1,000,000	1,000,000
Freehold building	-	-	288,586	281,927
At 31 December/ 31 July	-	-	1,288,586	1,281,927
Fair value				
Freehold land	-	-	1,000,000	1,000,000
Freehold building	-	-	300,000	300,000

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. INVESTMENT PROPERTIES (CONT'D)

(a) The freehold building of the Group is leased to a tenant under operating lease with rental payable monthly. The lease contains initial non-cancellable periods of 1 (31.12.2024 - 1, 31.12.2023 - Nil and 31.12.2022 - Nil) year.

The Group requires 3 months of advance rental payments from the tenant. The lease does not include a residual value guarantee and variable lease payments that depend on an index or rate.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			**As at 31 July 2025**
	2022	**2023**	**2024**	
	RM	RM	RM	RM
Within 1 year	-	-	1,500	8,500

(b) In FYE 2024 and FPE 2025, the freehold land has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 18 to the consolidated financial statements.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. RIGHT-OF-USE ASSETS

	At 1.1.2022 RM	Addition RM	Modification of lease liabilities RM	Depreciation Charges RM	At 31.12.2022 RM
Audited 31 December 2022					
Carrying Amount					
Sales gallery	386,748	-	901,543	(331,498)	956,793
Offices	137,482	32,669	-	(120,144)	50,007
	524,230	32,669	901,543	(451,642)	1,006,800

	At 1.1.2023 RM	Addition RM	Modification of lease liabilities RM	Depreciation Charges RM	At 31.12.2023 RM
Audited 31 December 2023					
Carrying Amount					
Sales gallery	956,793	-	-	(430,893)	525,900
Offices	50,007	40,833	225,226	(137,966)	178,100
	1,006,800	40,833	225,226	(568,859)	704,000

	At 1.1.2024 RM	Reassessment/ Modification of lease liabilities RM	Depreciation Charges RM	At 31.12.2024 RM
Audited 31 December 2024				
Carrying Amount				
Sales gallery	525,900	-	(450,771)	75,129
Offices	178,100	250,530	(197,640)	230,990
	704,000	250,530	(648,411)	306,119

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. RIGHT-OF-USE ASSETS (CONT'D)

	At 1.1.2025 RM	Modification of lease liabilities RM	Depreciation Charges RM	At 31.7.2025 RM
Audited 31 July 2025				
Carrying Amount				
Sales gallery	75,129	-	(75,129)	-
Offices	230,990	94,391	(121,586)	203,795
	306,119	94,391	(196,715)	203,795

The Group leases a sales gallery and offices of which the leasing activities are summarised below:-

(i) Sales gallery — The Group has leased a sales gallery that runs for Nil (31.12.2024 - 1, 31.12.2023 - 1 and 31.12.2022 - 1) year, with an option to renew the lease for 2 years after that date. The Group is not allowed to sublease the sales gallery.

(ii) Offices — The Group has leased offices that run between 1 to 2 (31.12.2024 - 1 to 2, 31.12.2023 - 1 to 2 and 31.12.2022 - 1) years, with an option to renew the lease for 1 year after that date. The Group is not allowed to subleased the offices.

7. INVENTORIES

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022 RM	**2023** RM	**2024** RM	**July 2025** RM
Non-current				
Land held for property development	13,356,941	31,130,005	45,521,118	49,732,580
Current				
Property development costs	18,681,158	11,661,926	4,064,133	16,557,246
Completed development units	-	-	1,871,326	9,434,039
	18,681,158	11,661,926	5,935,459	25,991,285

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. INVENTORIES (CONT'D)

Land held for property development are analysed as follows:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
At 1 January				
- leasehold land	12,543,245	12,543,245	29,027,086	40,797,663
- development costs	690,540	813,696	2,102,919	4,723,455
	13,233,785	13,356,941	31,130,005	45,521,118
Additions during the financial year/ period:				
- leasehold land	-	16,483,841	12,146,378	18,000,000
- development costs	123,156	1,289,223	3,007,676	2,458,345
Acquisition of a subsidiary (Note 31.1)	-	-	225,240	-
Transfer to property, plant and equipment (Note 4)	-	-	(988,181)	-
Transfer from prepayment and deposit	-	-	-	2,150,000
Transfer to property development costs	-	-	-	(18,396,883)
	13,356,941	31,130,005	45,521,118	49,732,580
At 31 December/31 July				
- leasehold land	12,543,245	29,027,086	40,797,663	47,654,418
- development costs	813,696	2,102,919	4,723,455	2,078,162
	13,356,941	31,130,005	45,521,118	49,732,580

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. INVENTORIES (CONT'D)

Property development costs are analysed as follows:

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Freehold land	9,536,185	5,626,610	1,747,155	-
Leasehold land	2,913,703	-	-	13,143,245
Development costs	6,231,270	6,035,316	2,316,978	3,414,001
	18,681,158	11,661,926	4,064,133	16,557,246

(a) Included in the carrying amount of the inventories of the Group was land held for property development pledged to licensed bank as security for the banking facilities granted to the Group as disclosed in Notes 18 and 26 to the consolidated financial statements.

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Land held for property development	8,082,351	13,144,286	19,469,663	39,469,663

(b) Included in the carrying amount of the inventories of the Group was land held for property development pledged to licensed bank as security for the banking facilities granted to the Group as disclosed in Notes 18 and 25 to the consolidated financial statements.

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Land held for property development	-	601,041	-	-

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. INVENTORIES (CONT'D)

(c) Inventories recognised in cost of sales as follows:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Inventories recognised as cost of sales	26,862,723	30,299,039	63,843,000	21,256,504

8. GOODWILL

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Cost	181,812	181,812	181,812	181,812
Accumulated impairment losses	(181,812)	(181,812)	(181,812)	(181,812)
At 31 December/31 July	-	-	-	-

During FYE 2022, impairment losses of RM181,812 were recognised on JRK Land, JRK Asset, JRK Development and JRK Estate in "Other Expenses" line item of Statement of Profit or Loss and Other Comprehensive Income which had been incurring losses for a number of financial years.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9. CONTRACT COST ASSETS

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Incremental costs of obtaining contracts	3,431,595	3,232,559	1,260,807	19,383
Contract fulfillment costs	25,214,613	19,569,789	6,817,173	132,810
	28,646,208	22,802,348	8,077,980	152,193

(a) The incremental costs of obtaining contracts primarily comprise sales commission paid to sales contract for the Group's property development activities. These contract costs are amortised over the period in which the related revenue is recognised.

(b) The contract fulfillment costs represent land and related development costs that are attributable to the property unit sold. These costs are amortised to profit or loss when the related revenue is recognised.

(c) The amortisation charges recognised in profit or loss are as below:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Incremental costs of obtaining contracts	1,479,956	1,774,323	3,542,024	1,280,507
Contract fulfillment costs	7,428,859	7,914,858	16,741,087	6,693,482
	8,908,815	9,689,181	20,283,111	7,973,989

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. TRADE RECEIVABLES

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Trade receivables	5,130,376	7,557,625	4,493,478	11,394,186
Allowance for impairment losses	-	-	(570,492)	(440,300)
	5,130,376	7,557,625	3,922,986	10,953,886
Allowance for impairment losses:-				
At 1 January	-	-	-	(570,492)
Addition during the year/period	-	-	(570,492)	-
Reversal during the year/period	-	-	-	130,192
At 31 December/31 July	-	-	(570,492)	(440,300)

(a) Included in the Group's trade receivables are retention sums of RM9,584,539 (31.12.2024 - RM583,905, 31.12.2023 - Nil and 31.12.2022 - Nil) which are expected to be recovered in year 2026 (31.12.2024 - 2026, 31.12.2023 - Nil and 31.12.2022 - Nil).

(b) The Group's normal trade credit terms range from 14 to 30 (31.12.2024 - 14 to 30, 31.12.2023 - 14 to 30 and 31.12.2022 - 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Other receivables	313,435	20,428,392	13,125,022	1,615,139
Deposits	1,114,871	1,350,665	17,322,820	15,286,218
Prepayments	19,760	68,880	566,397	1,298,920
	1,448,066	21,847,937	31,014,239	18,200,277

(a) Included in other receivables were advance payments to a related party amounting to RM1,303,669 (31.12.2024 - RM13,074,700, 31.12.2023 - RM20,159,832 and 31.12.2022 - Nil). The amount is unsecured and interest-free. The amount owing will be offset against future performance of service from the related party.

(b) Included in deposits of the Group is RM12,500,000 (31.12.2024 - RM12,500,000, 31.12.2023 - Nil and 31.12.2022 - Nil) paid to a related party as part of the entitlement for the project land pursuant to Joint Development Agreement. The project land has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 18 to the consolidated financial statements.

(c) In FYE 2024, included in deposits of the Group was deposit paid for acquisition of land held for property development of RM2,000,000.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. CONTRACT ASSETS/(LIABILITIES)

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
At 1 January	25,180,907	14,901,896	(29,868,331)	(1,812,974)
Revenue recognised during the financial year/period	52,931,108	65,092,484	117,648,930	48,020,274
Billings to customers during the financial year/period	(63,210,119)	(109,862,711)	(89,593,573)	(46,726,931)
At 31 December/31 July	14,901,896	(29,868,331)	(1,812,974)	(519,631)
Analysed by:-				
Contract assets	24,370,911	10,552,479	20,957,536	491,068
Contract liabilities	(9,469,015)	(40,420,810)	(22,770,510)	(1,010,699)
	14,901,896	(29,868,331)	(1,812,974)	(519,631)

(a) The contract assets primarily relate to the Group's right to consideration for property development work completed but not yet billed as at the reporting date.

(b) The contract liabilities primarily relate to advance consideration received from customers of which the revenue will be recognised overtime during the development of properties sold.

(c) Revenue expected to be recognised in the future relating to performance obligations that are partially or unsatisfied as at the reporting date are summarised below:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Within 1 year	36,000,356	71,890,442	49,355,862	1,094,896
Between 2 to 5 years	216,068,319	36,689,725	-	-
	252,068,675	108,580,167	49,355,862	1,094,896

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. FIXED DEPOSITS WITH LICENSED BANKS

(a) The effective interest rates of fixed deposits at the end of the reporting periods were as follows:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			**As at 31**
	2022	**2023**	**2024**	**July 2025**
	%	%	%	%
Effective interest rates	1.75	2.55 to 2.80	2.30 to 2.60	1.90 to 2.60

(b) The maturity period of fixed deposits at the end of the reporting periods were as follows:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			**As at 31**
	2022	**2023**	**2024**	**July 2025**
	Month	Month	Month	Month
Maturity period	12	1 to 12	12	12

(c) The fixed deposits pledged as security for banking facilities granted to the Group at the end of the reporting period were as follows:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			**As at 31**
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Fixed deposits pledged (Notes 18 and 26)	1,034,768	631,029	1,726,971	2,364,167

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. CASH AND BANK BALANCES

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Cash in hand	39,099	47,233	125,522	140,519
Bank balances	1,441,843	9,535,829	3,678,563	1,209,701
Cash held under housing development accounts	910,219	3,012,785	507,081	223,363
	2,391,161	12,595,847	4,311,166	1,573,583

Cash held under housing development account is held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 as amended by the Housing Developers (Housing Development Account) (Amendment) Regulation, 2022. The amount is held at call with banks and is available only to the subsidiaries involved in the property development activities.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. SHARE CAPITAL

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	<---------- Number of Shares ---------->			
Issued and Fully Paid-Up				
Ordinary Shares				
At the beginning/end of the reporting period	11,159,726	11,159,726	11,159,726	11,159,726

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Issued and Fully Paid-Up				
Ordinary Shares				
At the beginning/end of the reporting period	27,099,862	27,099,862	27,099,862	27,099,862

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. LEASE LIABILITIES

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
At 1 January	601,933	1,025,833	732,225	321,799
Additions during the financial year/period	32,669	40,833	-	-
Interest expenses recognised in profit or loss	28,388	52,174	41,136	9,441
Changes due to reassessment/ modification of leases	901,543	225,226	250,530	94,391
Repayment of principal	(510,312)	(559,667)	(660,956)	(205,113)
Repayment of interest expenses	(28,388)	(52,174)	(41,136)	(9,441)
At 31 December/31 July	1,025,833	732,225	321,799	211,077
Analysed by:-				
Current liabilities	465,140	610,471	138,911	168,048
Non-current liabilities	560,693	121,754	182,888	43,029
	1,025,833	732,225	321,799	211,077

17. LONG-TERM BORROWINGS

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Term loans (Note 18)	5,467,297	10,976,908	23,388,591	39,994,072
Hire purchase payables (Note 19)	-	1,498,788	1,393,911	1,344,767
	5,467,297	12,475,696	24,782,502	41,338,839

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. TERM LOANS (SECURED)

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Current liabilities (Note 24)	3,414,196	194,707	740,294	2,431,303
Non-current liabilities (Note 17)	5,467,297	10,976,908	23,388,591	39,994,072
	8,881,493	11,171,615	24,128,885	42,425,375

(a) The effective interest rates of term loans at the end of the reporting periods were as follows:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	%	%	%	%
Effective interest rates	6.95 to 7.45	6.70 to 7.45	5.65 to 7.45	5.65 to 7.30

(b) The term loans of the Group are secured by:

(i) a first party fixed legal charge over the leasehold land of the Group as disclosed in Note 4 to the consolidated financial statements;

(ii) a first party fixed legal charge over the freehold land purchased by the Company as disclosed in Note 5 to the consolidated financial statements;

(iii) a first party legal charge over the leasehold land purchased by the Group as disclosed in Note 7 to the consolidated financial statements;

(iv) a third party first legal charge over the project land as disclosed in Note 11(b) to the consolidated financial statements;

(v) specific debenture over fixed and floating assets both present and future;

(vi) specific debentures over the project;

(vii) first party pledged of fixed deposit as disclosed in Note 13(c) to the consolidated financial statements;

(viii) Joint and several guarantees by certain directors of the Company; and

(ix) Corporate guarantees provided by the Company and a related party.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19. HIRE PURCHASE PAYABLES (SECURED)

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Minimum hire purchase payments:				
- not later than one year	-	348,406	401,328	458,143
- later than one year and not later than five year	-	1,651,868	1,498,948	1,434,777
	-	2,000,274	1,900,276	1,892,920
Less: Future finance charges	-	(231,254)	(179,921)	(157,509)
Present value of hire purchase payables	-	1,769,020	1,720,355	1,735,411
Analysed by:-				
Current liabilities (Note 24)	-	270,232	326,444	390,644
Non-current liabilities (Note 17)	-	1,498,788	1,393,911	1,344,767
	-	1,769,020	1,720,355	1,735,411

(a) The effective interest rates of hire purchase payables at the end of the reporting periods were as follows:-

	Effective Interest Rates			
	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	%	%	%	%
Fixed rate	-	-	4.52	4.17 to 4.52
Floating rate	-	4.55 to 4.67	4.55 to 4.67	4.30 to 4.42

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Fixed rate	-	-	223,487	403,588
Floating rate	-	1,769,020	1,496,868	1,331,823
	-	1,769,020	1,720,355	1,735,411

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19. HIRE PURCHASE PAYABLES (SECURED) (CONT'D)

(b) The hire purchase payables of the Group are secured by:-

(i) property, plant and equipment as disclosed in Note 4 to the consolidated financial statements; and

(ii) joint guarantee by the certain directors of the Company.

20. TRADE PAYABLES

		<---------- Audited ---------->			
		<---------- As at 31 December ---------->			As at 31
		2022	2023	2024	July 2025
	Note	RM	RM	RM	RM
Trade payables	(a)	6,673,890	3,035,274	3,841,304	4,147,693
Retention sums	(b)	337,360	118,502	118,502	117,437
		7,011,250	3,153,776	3,959,806	4,265,130

(a) The normal trade credit terms granted to the Group range from 30 to 60 (31.12.2024 - 30 to 60, 31.12.2023 - 30 to 60 and 31.12.2022 - 30 to 60) days.

(b) The retention sums are expected to be settled in year 2025 to 2027 (31.12.2024 - 2025 to 2027, 31.12.2023 - 2025 to 2027 and 31.12.2022 - 2023 to 2026).

21. OTHER PAYABLES AND ACCRUALS

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Other payables	12,647,412	1,281,061	310,261	3,524,288
Retention sums	-	-	-	257,919
Accruals	6,258,519	8,230,350	8,596,721	2,861,124
Deposits	480,335	281,315	265,450	14,150
	19,386,266	9,792,726	9,172,432	6,657,481

(a) The retention sums are expected to be settled in year 2026 (31.12.2024 - Nil, 31.12.2023 - Nil and 31.12.2022 - Nil).

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22. AMOUNT OWING TO RELATED PARTIES

		<---------- Audited ---------->			
		<---------- As at 31 December ---------->			As at 31
		2022	2023	2024	July 2025
	Note	RM	RM	RM	RM
Trade balances	(a)	8,244,473	1,195,706	202,601	3,174,078
Retention sums	(b)	309,485	3,284,170	9,606,367	10,981,414
		8,553,958	4,479,876	9,808,968	14,155,492
Non-trade balances:					
- Interest-free	(c)	4,618,009	96,000	28,260	103,500
- Interest-bearing	(d)	-	4,626,352	1,320,941	-
		13,171,967	9,202,228	11,158,169	14,258,992

(a) The normal trade credit terms granted to the Group is 30 (31.12.2024 - 30, 31.12.2023 - 30 to 90 and 31.12.2022 - 30 to 90) days.

(b) The retention sums are expected to be settled in year 2025 to 2027 (31.12.2024 - 2025 to 2027, 31.12.2023 - 2025 to 2027 and 31.12.2022 - 2026).

(c) The non-trade balances represented unsecured interest-free advances which were repayable on demand. The amount owing is to be settled in cash.

(d) The non-trade balances represent interest-bearing advances which bore an effective interest rate of 10% (31.12.2024 - 10%, 31.12.2023 - 10% and 31.12.2022 - Nil) per annum. The amount owing is to be settled in cash.

23. AMOUNT OWING TO DIRECTORS

The amount owing are advances and unsecured payments made on behalf, interest-free and repayable on demand. The amount owing is to be settled in cash.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24. SHORT-TERM BORROWINGS

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Promissory notes (Note 25)	-	863,254	927,711	825,427
Term loans (Note 18)	3,414,196	194,707	740,294	2,431,303
Hire purchase payables (Note 19)	-	270,232	326,444	390,644
	3,414,196	1,328,193	1,994,449	3,647,374

25. PROMISSORY NOTES

The promissory notes of the Group at the end of the reporting period bore an effective interest rates ranging from 4.98% to 5.38% (31.12.2024 - 5.50% to 5.61%, 31.12.2023 - 5.72% to 5.75% and 31.12.2022 - Nil) per annum. The interest rates are fixed at the inception of the promissory notes agreements.

The promissory notes are secured by:-

(i) a first party legal charge over the Group's property, plant and equipment as disclosed in Note 4 to the consolidated financial statements;

(ii) in FYE 2023, a first party legal charge over the Group's inventories as disclosed in Note 7 to the consolidated financial statements;

(iii) a corporate guarantee by the Company; and

(iv) joint and several guarantees by certain directors of the Company.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. BANK OVERDRAFTS

(a) The bank overdrafts of the Group are secured by:-

(i) a first party legal charge over the Group's property, plant and equipment as disclosed in Note 4 to the consolidated financial statements;

(ii) a first party legal charge over the leasehold land purchased by the Group as disclosed in Note 7 to the consolidated financial statements;

(iii) specific debentures over fixed and floating assets both present and future;

(iv) first party pledged of fixed deposit as disclosed in Note 13(c) to the consolidated financial statements;

(v) Joint and several guarantees by certain directors of the Company; and

(vi) Corporate guarantees provided by the Company and a related party.

(b) The bank overdrafts of the Group at the end of the reporting period bore floating interest rates of 7.95% (31.12.2024 - Nil, 31.12.2023 - Nil and 31.12.2022 - Nil) per annum.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27. REVENUE

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Revenue from Contracts with Customers					
Recognised over time					
Sales of properties under construction	52,931,108	65,092,484	117,648,930	83,479,155	48,020,274
Recognised at a point in time					
Sales of completed properties	-	-	-	-	1,573,207
	52,931,108	65,092,484	117,648,930	83,479,155	49,593,481

(a) The revenue of the Group is derived entirely in Malaysia.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27. REVENUE (CONT'D)

(b) The information about the performance obligations in contracts with customers is summarised below:-

Nature of Goods or Services	Timing and Method of Revenue Recognition	Significant Payment Terms	Variable Considerations	Warranty and Obligation for Returns or Refunds
Sales of properties under construction	When services are rendered using the input method by reference to the property development cost incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract.	Based on agreed milestones certified by architects. The credit period is 14 to 30 days from the invoice date. Other credit terms are assessed and approved on a case-by-case basis.	Contract stipulates a predetermined rate for late penalty charges calculated daily.	Defect liability period of 12 or 24 months after the customers have taken possession of the property are given to the customers.
Sales of completed properties	When the properties are delivered and accepted by the customers.	Credit period of 30 days from the invoice date.	Not applicable.	Defect liability period is given to the customer until February 2027.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28. PROFIT BEFORE TAXATION

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Profit before taxation is arrived at after charging/(crediting):-					
Auditors' remuneration	135,000	135,000	140,000	82,430	94,750
Depreciation:					
- property, plant and equipment	28,965	494,964	541,412	306,278	345,217
- investment property	-	-	11,414	7,552	6,659
- right-of-use assets	451,642	568,859	648,411	378,240	196,715
Deposit written off	-	-	200,000	200,000	-
Director's remuneration:					
- salaries, bonuses and other benefits	856,665	1,333,167	1,910,775	788,883	1,031,928
- defined contribution plan	146,574	220,967	270,483	135,196	171,323
Impairment loss on goodwill	181,812	-	-	-	-
Impairment loss/(Reversal of impairment loss) on trade receivables	-	-	570,492	-	(130,192)
Interest expense:					
- bank overdrafts	-	3,062	990	-	39,652
- lease liabilities	28,388	52,174	41,136	28,162	9,441
- term loans	1,026,484	331,403	1,081,711	501,190	1,071,550

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28. PROFIT BEFORE TAXATION (CONT'D)

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Profit before taxation is arrived at after charging/(crediting) (Cont'd):-					
Interest expense:					
- hire purchase payables	-	86,475	79,607	44,785	46,058
- promissory notes	-	33,233	44,964	16,537	29,640
- related parties	-	1,271,227	392,631	392,631	-
- others	883,951	2,340,218	237,824	162,544	89,483
Lease expenses:					
- low value asset	1,680	1,540	1,260	1,120	-
Staff cost:					
- salaries and other benefits	2,459,684	2,888,101	2,954,686	1,632,888	1,589,746
- defined contribution plan	272,325	323,765	355,145	164,761	175,098
- others	-	21,743	-	-	-
Bargain purchase on acquisition of a subsidiary (Note 31.1)	-	-	(144,983)	(144,983)	-
Deposit received forfeited	-	(500)	(9,800)	(9,800)	-
Interest income:					
- fixed deposits with licensed banks	(7,789)	(18,108)	(133,689)	(114,317)	(47,025)
- bank balances	(4,228)	(18,625)	(69,778)	(37,910)	(92,719)
- others	(6,518)	(70,521)	(47,977)	(36,336)	(176)

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29. INCOME TAX EXPENSE

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Current tax:					
- for the financial year/period	2,437,000	3,587,509	6,613,349	4,223,428	3,481,391
- under/(over)provision in the previous financial year/period	-	755	(99,948)	(99,948)	175,055
	2,437,000	3,588,264	6,513,401	4,123,480	3,656,446

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group is as follows:-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Profit before taxation	8,949,521	11,475,877	20,376,211	14,402,596	10,889,049
Tax at the statutory tax rate of 24%	2,147,885	2,754,210	4,890,291	3,456,623	2,613,372
Tax effects of:-					
Non-deductible expenses	725,023	1,029,139	500,254	127,685	345,539
Non-taxable income	-	-	(34,796)	-	-
Utilisation of deferred tax assets previously not recognised	(657,152)	(732,960)	(5,523)	(2,640)	(5,520)
Deferred tax assets not recognised during the financial year/period	221,244	537,120	1,263,123	641,760	528,000
Under/(Over)provision of current tax in the previous financial year/period	-	755	(99,948)	(99,948)	175,055
	2,437,000	3,588,264	6,513,401	4,123,480	3,656,446

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the financial year/period.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29. INCOME TAX EXPENSE (CONT'D)

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	**2023**	**2024**	**31.7.2024**	**31.7.2025**
	RM	RM	RM	RM	RM
Unused tax losses:					
- expiring in year of assessment 2029	493,000	493,000	493,000	493,000	493,000
- expiring in year of assessment 2030	3,075,000	51,000	47,000	51,000	47,000
- expiring in year of assessment 2031	223,000	239,000	239,000	239,000	239,000
- expiring in year of assessment 2032	895,000	932,000	932,000	932,000	932,000
- expiring in year of assessment 2033	-	1,673,000	1,673,000	1,673,000	1,673,000
- expiring in year of assessment 2034	-	-	5,667,000	2,674,000	5,667,000
- expiring in year of assessment 2035	-	-	-	-	2,200,000
Excess of depreciation over capital allowances	34,000	85,000	83,000	64,000	50,000
Unabsorbed capital allowance	-	-	10,000	10,000	20,000
Others	-	431,000	-	-	-
	4,720,000	3,904,000	9,144,000	6,136,000	11,321,000

Based on the current legislation, the unused tax losses are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30. EARNINGS PER SHARE

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
Profit attributable to owners of the Company (RM)	5,593,471	6,511,013	10,921,590	7,539,373	7,102,817
Weighted average number of ordinary shares in issue	11,159,726	11,159,726	11,159,726	11,159,726	11,159,726
Basic earnings per share (RM)	0.50	0.58	0.98	0.68	0.64

The Group has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31. ACQUISITION OF A SUBSIDIARY AND NON-CONTROLLING INTERESTS

31.1 ACQUISITION OF A SUBSIDIARY

On 13 May 2024, the Company acquired 100% equity interest in JRK Property.

The following summarise the major classes of consideration transferred and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	31 December 2024
	RM
Investment property	1,300,000
Inventories	225,240
Deposits and prepayment	781,893
Current tax assets	41,723
Fixed deposit with a licensed bank	93,312
Bank balances	158,389
Term loans	(437,804)
Trade payable	(90)
Other payables and accruals	(227,954)
Amount owing to related parties	(996,286)
Amount owing to a director	(674,609)
Fair value of net identifiable assets acquired	263,814
Less: Bargain purchase on acquisition	(144,983)
Total purchase consideration, to be settled by cash	118,831
Add: Cash and bank balances of subsidiary acquired	(158,389)
Net cash inflow from the acquisition of a subsidiary	(39,558)

In FYE 2024, the subsidiary has contributed loss after taxation of RM263,704 to the Group since the date of acquisition.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31. ACQUISITION OF A SUBSIDIARY AND NON-CONTROLLING INTERESTS (CONT'D)

31.2 ACQUISITION OF NON-CONTROLLING INTERESTS

(a) On 18 April 2023, the Company acquired an additional 6% equity interests in Buana Perdana for a total cash consideration of RM2,000,000, increasing its ownership from 90% to 96%. The carrying amount of Buana Perdana's net assets in the Group's financial statements on that date was RM17,329,521. The Group recognised a decrease in non-controlling interests of RM834,101 and a decrease in retained profits of RM1,165,899.

The following summarises the effect of changes in the equity interests in Buana Perdana that is attributable to the owners of the Company:-

	31 December 2023 RM
Equity interest on 1 January	14,061,192
Effect of increase in the Company's ownership interest	834,101
Subscription of ordinary shares in the subsidiary	2,000,000
Share of post acquisition profits	11,997,291
Equity interest at 31 December	28,892,584

(b) On 8 April 2024, the Company has acquired an additional 30% equity interest in Twinwood Development for a total cash consideration of RM2,000,000, increasing its ownership from 60% to 90%. With the remaining 10% held by JRK Land, Twinwood Development became a wholly-owned subsidiary of the Company. The carrying amount of Twinwood Development's net assets in the Group's financial statements on that date was RM6,721,389. The Group recognised a decrease in non-controlling interest of RM2,016,417 and an increase in retained profits of RM16,417.

The following summarises the effect of changes in the equity interest of non-controlling interest in Twinwood Development:-

	31 December 2024 RM
Equity interest of non-controlling interest at 1 January	(427,398)
Effect of increase in the Company's ownership interest	(2,016,417)
Share of post acquisition profits	2,443,815
Equity interest of non-controlling interest at 31 December	-

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31. ACQUISITION OF A SUBSIDIARY AND NON-CONTROLLING INTERESTS (CONT'D)

31.2 ACQUISITION OF NON-CONTROLLING INTERESTS (CONT'D)

(c) On 24 April 2025, the Company has acquired an additional 4% equity interest in Buana Perdana for a total cash consideration of RM2,500,000, increasing its ownership from 96% to 100%. The carrying amount of Buana Perdana's net assets in the Group's financial statements on that date was RM42,875,620. The Group recognised a decrease in non-controlling interests of RM1,722,080 and a decrease in retained profits of RM777,920.

The following summarises the effect of changes in the equity interest of non-controlling interest in Buana Perdana:-

	31 July 2025 RM
Equity interest of non-controlling interest at 1 January	1,586,875
Effect of increase in the Company's ownership interest	(1,722,080)
Share of post acquisition profits	135,205
Equity interest of non-controlling interest at 31 July	-

(d) On 24 April 2025, the Company has acquired an additional 40% equity interest in JRK Estate for a total cash consideration of RM800,000, increasing its ownership from 60% to 100%. The carrying amount of JRK Estate's net assets in the Group's financial statements on that date was RM1,937,113. The Group recognised a decrease in non-controlling interests of RM774,845 and a decrease in retained profits of RM25,155.

The following summarises the effect of changes in the equity interest of non-controlling interest in JRK Estate:-

	31 July 2025 RM
Equity interest of non-controlling interest at 1 January	778,378
Effect of increase in the Company's ownership interest	(774,845)
Share of post acquisition losses	(3,533)
Equity interest of non-controlling interest at 31 July	-

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31. ACQUISITION OF A SUBSIDIARY AND NON-CONTROLLING INTERESTS (CONT'D)

31.2 ACQUISITION OF NON-CONTROLLING INTERESTS (CONT'D)

(e) On 30 July 2025, the Company has acquired an additional 30% equity interest in JRK Capital for a total cash consideration of RM3, increasing its ownership from 70% to 100%. The carrying amount of JRK Capital's net liabilities in the Group's financial statements on that date was RM53,840. The Group recognised an increase in non-controlling interests of RM16,152 and a decrease in retained profits of RM16,155.

The following summarises the effect of changes in the equity interest of non-controlling interest in JRK Capital:-

	31 July 2025 RM
Equity interest of non-controlling interest at 1 January	(14,266)
Effect of increase in the Company's ownership interest	16,152
Share of post acquisition losses	(1,886)
Equity interest of non-controlling interest at 31 July	-

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

32. DIVIDEND

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
First interim dividend of approximately RM1.34 per ordinary share in respect of the financial year ending 2025	-	-	-	-	14,999,788

33. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Property, plant and equipment					
Cost of property, plant and equipment (Note 4)	122,907	2,388,028	305,201	178,620	3,258,097
Less: Acquired through hire purchase arrangements (Note 33(b))	-	(2,082,124)	(237,600)	-	(215,000)
	122,907	305,904	67,601	178,620	3,043,097

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33. CASH FLOW INFORMATION (CONT'D)

(a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows (Cont'd):-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Right-of-use assets					
Cost of right-of-use assets acquired (Note 6)	934,212	266,059	250,530	218,931	94,391
Less: Additions of new lease liabilities (Note 16)	(32,669)	(40,833)	-	-	-
Less: Changes on lease reassessment/modification of lease liabilities (Note 16)	(901,543)	(225,226)	(250,530)	(218,931)	(94,391)
	-	-	-	-	-

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

	Amount Owing to Directors RM	Term Loans RM	Lease Liabilities RM	Total RM
Audited **31 December 2022**				
At 1 January 2022	2,984,542	23,884,361	601,933	27,470,836
Changes in Financing Cash Flows				
Advances received	4,925,000	-	-	4,925,000
Repayment of principal	(2,306,295)	(15,060,594)	(510,312)	(17,877,201)
Repayment of interests	-	(968,758)	(28,388)	(997,146)
	2,618,705	(16,029,352)	(538,700)	(13,949,347)
Other Changes				
Acquisition of new lease	-	-	32,669	32,669
Changes due to lease modification	-	-	901,543	901,543
Interest expense recognised in profit or loss	-	1,026,484	28,388	1,054,872
	-	1,026,484	962,600	1,989,084
At 31 December 2022	5,603,247	8,881,493	1,025,833	15,510,573

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

	Amount Owing to Directors RM	Amount Owing to Related Parties RM	Hire Purchase Payables RM	Promissory Notes RM	Term Loans RM	Lease Liabilities RM	Total RM
Audited 31 December 2023							
At 1 January 2023	5,603,247	-	-	-	8,881,493	1,025,833	15,510,573
Changes in Financing Cash Flows							
Repayment of principal	(9,482,178)	(2,374,227)	(313,104)	(2,637,847)	(8,979,878)	(559,667)	(24,346,901)
Repayment of interests	-	(475,453)	(86,475)	(33,233)	(331,403)	(52,174)	(978,738)
Proceeds from drawdown	-	-	-	3,501,101	11,270,000	-	14,771,101
Advances received	9,654,870	6,204,805	-	-	-	-	15,859,675
	172,692	3,355,125	(399,579)	830,021	1,958,719	(611,841)	5,305,137
Other Changes							
Acquisition of new lease	-	-	-	-	-	40,833	40,833
Acquisition of property, plant and equipment (Note 33(a))	-	-	2,082,124	-	-	-	2,082,124
Changes due to lease modification	-	-	-	-	-	225,226	225,226
Interest expense recognised in profit or loss	-	1,271,227	86,475	33,233	331,403	52,174	1,774,512
	-	1,271,227	2,168,599	33,233	331,403	318,233	4,122,695
At 31 December 2023	5,775,939	4,626,352	1,769,020	863,254	11,171,615	732,225	24,938,405

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

	Amount Owing to Directors RM	Amount Owing to Related Parties RM	Hire Purchase Payables RM	Promissory Notes RM	Term Loans RM	Lease Liabilities RM	Total RM
Audited 31 December 2024							
At 1 January 2024	5,775,939	4,626,352	1,769,020	863,254	11,171,615	732,225	24,938,405
Changes in Financing Cash Flows							
Repayment of principal	(5,746,668)	(3,485,214)	(286,265)	(3,462,756)	(289,193)	(660,956)	(13,931,052)
Repayment of interests	-	(212,828)	(79,607)	(44,964)	(957,382)	(41,136)	(1,335,917)
Proceeds from drawdown	-	-	-	3,527,213	12,684,330	-	16,211,543
Advances received	146,235	-	-	-	-	-	146,235
	(5,600,433)	(3,698,042)	(365,872)	19,493	11,437,755	(702,092)	1,090,809
Other Changes							
Acquisition of a subsidiary (Note 31.1)	674,609	-	-	-	437,804	-	1,112,413
Acquisition of property, plant and equipment (Note 33(a))	-	-	237,600	-	-	-	237,600
Changes due to lease modification	-	-	-	-	-	250,530	250,530
Interest expense recognised in profit or loss	-	392,631	79,607	44,964	1,081,711	41,136	1,640,049
	674,609	392,631	317,207	44,964	1,519,515	291,666	3,240,592
At 31 December 2024	850,115	1,320,941	1,720,355	927,711	24,128,885	321,799	29,269,806

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

	Amount Owing to Directors RM	Amount Owing to Related Parties RM	Hire Purchase Payables RM	Promissory Notes RM	Term Loans RM	Lease Liabilities RM	Total RM
Unaudited 31 July 2024							
At 1 January 2024	5,775,939	4,626,352	1,769,020	863,254	11,171,615	732,225	24,938,405
Changes in Financing Cash Flows							
Repayment of principal	(3,669,043)	(356,243)	(158,299)	(1,264,667)	(113,178)	(376,219)	(5,937,649)
Repayment of interests	-	(1,384)	(44,785)	(16,537)	(447,088)	(28,162)	(537,956)
Proceeds from drawdown	-	-	-	1,721,937	-	-	1,721,937
Advances received	118,831	-	-	-	-	-	118,831
	(3,550,212)	(357,627)	(203,084)	440,733	(560,266)	(404,381)	(4,634,837)
Other Changes							
Acquisition of a subsidiary (Note 31.1)	674,609	-	-	-	437,804	-	1,112,413
Changes due to lease modification	-	-	-	-	-	218,931	218,931
Interest expense recognised in profit or loss	-	392,631	44,785	16,537	501,190	28,162	983,305
	674,609	392,631	44,785	16,537	938,994	247,093	2,314,649
At 31 July 2024	2,900,336	4,661,356	1,610,721	1,320,524	11,550,343	574,937	22,618,217

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

	Amount Owing to Directors RM	Amount Owing to Related Parties RM	Hire Purchase Payables RM	Promissory Notes RM	Term Loans RM	Lease Liabilities RM	Total RM
Audited 31 July 2025							
At 1 January 2025	850,115	1,320,941	1,720,355	927,711	24,128,885	321,799	29,269,806
Changes in Financing Cash Flows							
Repayment of principal	(3,384,804)	(1,139,754)	(199,944)	(2,260,787)	(388,660)	(205,113)	(7,579,062)
Repayment of interests	-	(181,187)	(46,058)	(29,640)	(986,400)	(9,441)	(1,252,726)
Proceeds from drawdown	-	-	-	2,158,503	18,600,000	-	20,758,503
Advances received	5,680,000	-	-	-	-	-	5,680,000
	2,295,196	(1,320,941)	(246,002)	(131,924)	17,224,940	(214,554)	17,606,715
Other Changes							
Acquisition of property, plant and equipment (Note 33(a))	-	-	215,000	-	-	-	215,000
Changes due to lease modification	-	-	-	-	-	94,391	94,391
Interest expense recognised in profit or loss	-	-	46,058	29,640	1,071,550	9,441	1,156,689
	-	-	261,058	29,640	1,071,550	103,832	1,466,080
At 31 July 2025	3,145,311	-	1,735,411	825,427	42,425,375	211,077	48,342,601

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a lessee are as follows:-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Payment of low-value asset	1,680	1,540	1,260	1,120	-
Interest paid on lease liabilities	28,388	52,174	41,136	28,162	9,441
Payment of lease liabilities	510,312	559,667	660,956	376,219	205,113
	540,380	613,381	703,352	405,501	214,554

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33. CASH FLOW INFORMATION (CONT'D)

(d) The cash and cash equivalents comprise the following:-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Fixed deposits with licensed banks	1,034,768	3,881,753	3,408,230	4,252,024	2,364,167
Cash and bank balances	2,391,161	12,595,847	4,311,166	4,593,444	1,573,583
Bank overdrafts	-	-	-	-	(1,402,123)
	3,425,929	16,477,600	7,719,396	8,845,468	2,535,627
Less: Fixed deposits pledged with licensed banks	(1,034,768)	(631,029)	(1,726,971)	(2,582,457)	(2,364,167)
Less: Fixed deposits with tenure of more than 3 months	-	(1,392,608)	(1,681,259)	(1,669,567)	-
	2,391,161	14,453,963	4,311,166	4,593,444	171,460

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

34. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group include executive directors and certain members of senior management of the Group.

The key management personnel compensation during the financial year are as follows:-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	**2023**	**2024**	**31.7.2024**	**31.7.2025**
	RM	RM	RM	RM	RM
Directors of the Group					
Short-term employee benefits:					
- salaries, bonuses and other benefits	856,665	1,333,167	1,910,775	788,883	1,031,928
- defined contribution plan	146,574	220,967	270,483	135,196	171,323
Total directors' remuneration	1,003,239	1,554,134	2,181,258	924,079	1,203,251

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

34. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows (Cont'd):-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	**2023**	**2024**	**31.7.2024**	**31.7.2025**
	RM	RM	RM	RM	RM
Other Key Management Personnel					
Short-term employee benefits:					
- salaries and other benefits	167,525	229,830	248,686	111,776	128,148
- defined contribution plan	19,842	27,240	29,469	13,200	15,121
Total compensation for other key management personnel	187,367	257,070	278,155	124,976	143,269

The estimated monetary value of benefits-in-kind provided by the Group to the Directors were RM18,340 (31.12.2024 - RM33,800, 31.7.2024 - RM16,333, 31.12.2023 - Nil and 31.12.2022 - Nil).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35. RELATED PARTY DISCLOSURES

Significant Related Party Transactions and Balances

The Group carried out the following significant transactions with the related parties during the financial year:-

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	2023	2024	31.7.2024	31.7.2025
	RM	RM	RM	RM	RM
Related parties:					
- Advances from	-	6,204,805	-	-	-
- Interest paid/payable	-	1,271,227	392,631	392,631	-
- Building construction cost paid/payable	15,961,910	27,599,650	57,245,263	43,810,786	22,836,632
- Deposit paid/payable	-	-	12,500,000	12,500,000	-
- Rental charged	96,000	96,000	141,000	76,000	91,000
- Purchase of lands	-	15,882,800	5,445,200	5,445,200	-
Directors:					
- Advances from	4,925,000	9,654,870	146,235	118,831	5,680,000
- Sale of development property to a director	-	180,720	1,310,220	-	-
- Dividend paid	-	-	-	-	12,217,735
Shareholders:					
- Dividend paid	-	-	-	-	2,782,053

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in Notes 22 and 23 to the consolidated financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

36. OPERATING SEGMENTS

Segment information has not been prepared as the Group's business is focused only in the property development and this forms the focus of the Group's internal reporting systems.

The Group Managing Director reviews the business performance of the Group as a whole and management monitors the operating results of its business for the purposes of making decisions on resources allocation and performance assessment.

36.1 BUSINESS SEGMENT AND GEOGRAPHICAL INFORMATION

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business segments and geographical segment is not presented.

36.2 MAJOR CUSTOMER

The following is major customer with revenue equal to or more than 10% of the Group's total revenue.

	<---------- Audited ---------->			Unaudited	Audited
	<---------- FYE 31 December---------->			1.1.2024 to	1.1.2025 to
	2022	**2023**	**2024**	**31.7.2024**	**31.7.2025**
	RM	RM	RM	RM	RM
Customer #1	7,734,926	-	-	-	-

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37. CAPITAL COMMITMENTS

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Construction of property, plant and equipment	-	-	4,771,236	1,822,598

38. FINANCIAL INSTRUMENTS

The activities of the Group are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

38.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group does not have any transactions or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

(ii) 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 exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amount of the financial instruments at the end of the reporting period are disclosed in Notes 18, 19 and 26 to the consolidated financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Effects on Profit After Taxation/Other Comprehensive Income for the Financial Year/Period				
Increase of 100 basis points	(67,499)	(98,349)	(194,756)	(343,211)
Decrease of 100 basis points	67,499	98,349	194,756	343,211

There is no impact on the Group's equity.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including fixed deposits with licensed banks and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by 1 (31.12.2024 - 3, 31.12.2023 - 1 and 31.12.2022 - 2) customers which constituted approximately 85% (31.12.2024 - 57%, 31.12.2023 - 19% and 31.12.2022 - 20%) of its trade receivables at the end of the reporting period.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

For property development, purchasers are normally supported by end-financiers which are reputable banks in Malaysia. For self-financed purchasers, the Group extends credit based upon careful evaluation of the purchaser's general background. Trade receivables are monitored on an ongoing basis by the Group's credit control department.

At each reporting date, the Group evaluate whether any of the financial assets at amortised cost and contract assets are credit impaired.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:
- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 120 days past due unless the Group has reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate. The Group uses a more lagging pass due criterion for certain trade receivables when it is more appropriate to reflect their loss patterns.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables and contract assets.

The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months (31.12.2024 - 12 months, 31.12.2023 - 12 months and 31.12.2022 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

There are purchasers where the Group manages its credit exposure by maintaining its name as the registered owner of the properties sold until full settlement by the self-financed purchasers or upon the purchasers obtaining their end-financing.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
Audited				
31 December 2022				
Not pass due	3,115,088	-	-	3,115,088
Past due:				
- less than 3 months	1,222,909	-	-	1,222,909
- 3 to 6 months	24,406	-	-	24,406
- more than 6 months	767,973	-	-	767,973
Trade receivables	5,130,376	-	-	5,130,376
Contract assets	24,370,911	-	-	24,370,911
	29,501,287	-	-	29,501,287
Audited				
31 December 2023				
Not pass due	4,577,403	-	-	4,577,403
Past due:				
- less than 3 months	2,980,222	-	-	2,980,222
Trade receivables	7,557,625	-	-	7,557,625
Contract assets	10,552,479	-	-	10,552,479
	18,110,104	-	-	18,110,104

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows (Cont'd):-

	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
Audited				
31 December 2024				
Not pass due	1,350,355	-	-	1,350,355
Past due:				
- less than 3 months	939,170	-	(108,588)	830,582
- 3 to 6 months	2,203,953	-	(461,904)	1,742,049
Trade receivables	4,493,478	-	(570,492)	3,922,986
Contract assets	20,957,536	-	-	20,957,536
	25,451,014	-	(570,492)	24,880,522
Audited				
31 July 2025				
Not pass due	9,930,089	-	-	9,930,089
Past due:				
- less than 3 months	538,402	-	-	538,402
- 3 to 6 months	925,695	-	(440,300)	485,395
Trade receivables	11,394,186	-	(440,300)	10,953,886
Contract assets	491,068	-	-	491,068
	11,885,254	-	(440,300)	11,444,954

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

Trade receivables and contract assets that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables and contract assets that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 120 days past due in making a contractual payment.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

The Group uses 3 categories to reflect its credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Non-performing:	There is evidence indicating the receivable is credit impaired or more than 120 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on an individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on a collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD was not adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts as the Group has not identified any forward-looking assumptions which correlate to the PD.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks and Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	Within 2 - 5 Years RM
Audited				
31 December 2022				
Non-derivative Financial Liabilities				
Lease liabilities	1,025,833	1,104,500	518,000	586,500
Term loans	8,881,493	9,693,679	4,064,943	5,628,736
Trade payables	7,011,250	7,011,250	7,011,250	-
Other payables and accruals	18,905,931	18,905,931	18,905,931	-
Amount owing to related parties	13,171,967	13,171,967	13,171,967	-
Amount owing to directors	5,603,247	5,603,247	5,603,247	-
	54,599,721	55,490,574	49,275,338	6,215,236

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 years RM
Audited					
31 December 2023					
Non-derivative Financial Liabilities					
Lease liabilities	732,225	767,940	643,140	124,800	-
Promissory notes	863,254	863,254	863,254	-	-
Term loans	11,171,615	14,049,318	969,522	9,508,803	3,570,993
Hire purchase payables	1,769,020	2,000,274	348,406	1,381,258	270,610
Trade payables	3,153,776	3,153,776	3,153,776	-	-
Other payables and accruals	9,511,411	9,511,411	9,511,411	-	-
Amount owing to related parties	9,202,228	9,202,228	9,202,228	-	-
Amount owing to directors	5,775,939	5,775,939	5,775,939	-	-
	42,179,468	45,324,140	30,467,676	11,014,861	3,841,603

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	Within 1 - 5 Years RM	Over 5 years RM
Audited					
31 December 2024					
Non-derivative Financial Liabilities					
Lease liabilities	321,799	333,750	275,700	58,050	-
Promissory notes	927,711	927,711	927,711	-	-
Term loans	24,128,885	30,758,160	2,352,089	21,258,779	7,147,292
Hire purchase payables	1,720,355	1,900,276	401,328	1,498,948	-
Trade payables	3,959,806	3,959,806	3,959,806	-	-
Other payables and accruals	8,906,982	8,906,982	8,906,982	-	-
Amount owing to related parties	11,158,169	11,158,169	11,158,169	-	-
Amount owing to directors	850,115	850,115	850,115	-	-
	51,973,822	58,794,969	28,831,900	22,815,777	7,147,292

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	Within 1 - 5 Years RM	Over 5 years RM
Audited					
31 July 2025					
Non-derivative Financial Liabilities					
Lease liabilities	211,077	303,274	258,740	44,534	-
Promissory notes	825,427	825,427	825,427	-	-
Term loans	42,425,375	53,494,783	4,770,055	33,674,469	15,050,259
Hire purchase payables	1,735,411	1,892,919	458,143	1,434,776	-
Bank overdraft	1,402,123	1,402,123	1,402,123	-	-
Trade payables	4,265,130	4,265,130	4,265,130	-	-
Other payables and accruals	6,643,331	6,643,331	6,643,331	-	-
Amount owing to related parties	14,258,992	14,258,992	14,258,992	-	-
Amount owing to directors	3,145,311	3,145,311	3,145,311	-	-
	74,912,177	86,231,290	36,027,252	35,153,779	15,050,259

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on a debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio was calculated as net debt divided by total equity. The Group included within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital included equity attributable to the owners of the parent and non-controlling interests. The debt-to-equity ratio of the Group at the end of the reporting period is as follows:-

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Promissory notes	-	863,254	927,711	825,427
Term loans	8,881,493	11,171,615	24,128,885	42,425,375
Hire purchase payables	-	1,769,020	1,720,355	1,735,411
Less: Cash and cash equivalents (Note 33(d))	(2,391,161)	(14,453,963)	(4,311,166)	(171,460)
(Net cash)/Net debt	6,490,332	(650,074)	22,465,785	44,814,753
Total equity	29,055,749	36,943,362	48,806,172	37,738,984
Debt-to-equity ratio	0.22	*	0.46	1.19

* Not applicable as the Group's cash and cash equivalents exceed its borrowings.

There were no changes in the approach to capital management during the financial year/period.

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	**2023**	**2024**	**July 2025**
	RM	RM	RM	RM
Financial Asset				
Amortised Cost				
Trade receivables	5,130,376	7,557,625	3,922,986	10,953,886
Other receivables	313,435	268,560	50,322	311,470
Fixed deposits with licensed banks	1,034,768	3,881,753	3,408,230	2,364,167
Cash and bank balances	2,391,161	12,595,847	4,311,166	1,573,583
	8,869,740	24,303,785	11,692,704	15,203,106

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	<---------- Audited ---------->			
	<---------- As at 31 December ---------->			As at 31
	2022	2023	2024	July 2025
	RM	RM	RM	RM
Financial Liability				
Amortised Cost				
Promissory notes	-	863,254	927,711	825,427
Term loans	8,881,493	11,171,615	24,128,885	42,425,375
Hire purchase payables	-	1,769,020	1,720,355	1,735,411
Bank overdraft	-	-	-	1,402,123
Trade payables	7,011,250	3,153,776	3,959,806	4,265,130
Other payables and accruals	18,905,931	9,511,411	8,906,982	6,643,331
Amount owing to related parties	13,171,967	9,202,228	11,158,169	14,258,992
Amount owing to directors	5,603,247	5,775,939	850,115	3,145,311
	53,573,888	41,447,243	51,652,023	74,701,100

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.4 GAINS/(LOSSES) ARISING FROM FINANCIAL INSTRUMENTS

	<---------- Audited ---------->			
	<---------- FYE 31 December ---------->			As at 31
	2022	2023	2024	31.7.2025
	RM	RM	RM	RM
Financial Asset				
Amortised Cost				
Net gains/(losses) recognised in profit or loss	18,535	107,254	(319,048)	270,112
Financial Liability				
Amortised Cost				
Net losses recognised in profit or loss	(1,910,435)	(4,065,618)	(1,837,727)	(1,276,383)

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.5 FAIR VALUE INFORMATION

The fair values of the financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

As the Group does not have any financial instruments carried at fair value, the following table sets out the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Not Carried At Fair Value			Total	Carrying
	Level 1	Level 2	Level 3	Fair Value	Amount
	RM	RM	RM	RM	RM
Audited					
31 December 2022					
Financial Liabilities					
Term loans	-	8,881,493	-	8,881,493	8,881,493
Audited					
31 December 2023					
Financial Liabilities					
Term loans	-	11,171,615	-	11,171,615	11,171,615
Hire purchase payables	-	1,769,020	-	1,769,020	1,769,020
Audited					
31 December 2024					
Financial Liabilities					
Term loans	-	24,128,885	-	24,128,885	24,128,885
Hire purchase payables	-	1,720,355	-	1,720,355	1,720,355
Audited					
31 July 2025					
Financial Liabilities					
Term loans	-	42,425,375	-	42,425,375	42,425,375
Hire purchase payables	-	1,734,921	-	1,734,921	1,735,411

JRK HOLDINGS BERHAD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38. FINANCIAL INSTRUMENTS (CONT'D)

38.5 FAIR VALUE INFORMATION (CONT'D)

The fair value of the Group's term loans and hire purchase payables that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

The fair value of the Group's hire purchase payables that carry fixed interest rates is determined by discounting the relevant future contractual cash flows using current market interest for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows of 4.42% (31.12.2024 - 4.52%, 31.12.2023 - Nil and 31.12.2022 - Nil).

39. SIGNIFICANT EVENT OCCURING AFTER THE REPORTING PERIOD

(a) On 1 September 2025, the Company had subdivided every ordinary share of its existing 11,159,726 shares into sixty-three (63) subdivided shares. Following the completion of the subdivision, the total issued share capital will be 703,062,738 shares.

(b) On 30 August 2025, JRK (Damansara) and the Company's director have entered into a Joint Development Agreement to jointly develop a piece of freehold residential land with consideration of RM30,000,000.

JRK HOLDINGS BERHAD

STATEMENT BY DIRECTORS

We, Dato' Sri Kwan Aik Khai and Lim Boon Kiong, being two of the director of JRK Holdings Berhad, state that, in the opinion of the directors, the consolidated financial statements set out on pages 4 to 92 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the Prospectus Guidelines issued by the Securities Commission Malaysia so as to give a true and fair view of the consolidated financial position of the Group as of 31 December 2022, 31 December 2023, 31 December 2024 and 31 July 2025 and of its consolidated financial performance and its consolidated cash flows for the financial year ended 31 December 2022, 31 December 2023, 31 December 2024 and for the 7-months financial period ended 31 July 2025.

Signed in accordance with a resolution of the directors dated 19 DEC 2025

Dato' Sri Kwan Aik Khai

Lim Boon Kiong