

JHM CONSOLIDATION BERHAD (“JHM” OR “THE COMPANY”)

- EXTENSION OF TIME AND VARIATION OF THE UTILISATION OF PROCEEDS RAISED FROM THE PRIVATE PLACEMENT EXERCISE

1. INTRODUCTION

Reference is made to the announcements dated 15 December 2021, 17 December 2021, 27 December 2021, 29 December 2021, 10 June 2022, 27 June 2022, 3 November 2022, 13 December 2022, 22 December 2022 and 23 December 2022 in relation to the Private Placement. Unless otherwise stated, the terms used herein shall have the same meaning as defined in the said announcements.

On 23 December 2022, the Company completed the listing of 48,400,000 new ordinary shares to third party investors through Private Placement. The Placement Shares were issued at an issue price of RM0.73 per ordinary share and total proceeds of RM35.33 million was received from the said placement.

2. DETAILS OF OF THE EXTENSION OF TIME AND VARIATION OF THE UTILISATION OF PROCEEDS

As at date of this announcement, JHM and its subsidiaries (“Group”) have utilised RM35.33 million from the total proceeds raised from the Private Placement. The Board of Directors of JHM had on 21 November 2024 approved the extension of the timeframe and vary the utilisation of proceeds raised from the Private Placement in the manner as set out below (“Proposed Extension of Time and Variation”):

Purpose	Proposed Utilisation	Amount Utilised as at 21 November 2024	Balance Available for Utilisation	Variation	Balance Utilisation after Variation	Revised timeframe for Utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	RM'000	
i. General working capital requirements	21,640	*21,679	-	3,860	3,860	within 6 months from 21 November 2024
ii. Investment in embedded design	3,860	-	3,860	(3,860)	Nil	not applicable

Note:-

* The actual amount incurred for expenses in relation to the Private Placement was RM0.351 million, with the remaining RM0.039 million reallocated to general working capital.

3. RATIONALE

The reallocate funds of RM3.86 million from investment in embedded design to general working capital is intended to enable the Company to utilise its funds more efficiently to fund its working capital needs of its Group. This is due to the longer-than-expected gestation period for establishing the Embedded Product Design Centre of Excellence ("CoE").

In light of current market conditions and the Company's financial position, the Board has, after careful deliberation, resolved to approve the Proposed Extension of Time and Variation.

4. FINANCIAL EFFECTS

The Proposed Extension of Time and Variation will not result in any change to the issued share capital of JHM as well as the shareholdings of the shareholders, substantial shareholders and Directors of JHM, nor will they have any material financial effect on the earnings of the Group and the net assets of the Group for the financial year ending 31 December 2024.

5. APPROVAL REQUIRED

The Proposed Extension of Time and Variation is not subject to the approval of the shareholders of the Company or any regulatory authorities.

6. DIRECTORS' STATEMENT

The Directors are of the opinion that the Proposed Extension of Time and Variation is in the best interests of the Company.

This announcement is dated 21 November 2024.