

JAKS RESOURCES BERHAD
REGISTRATION NO. 200201017985 (585648-T)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

THE FIGURES HAVE NOT BEEN AUDITED

The Directors are pleased to announce the 1st Quarter unaudited financial results for the financial period ended 31 March 2023

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter ended 31-Mar-2023	Preceding Year Quarter ended 31-Mar-2022	Current Year To-date ended 31-Mar-2023	Preceding Year To-date ended 31-Mar-2022
	RM'000	RM'000	RM'000	RM'000
Revenue	14,160	17,845	14,160	17,845
Cost of Sales	(13,337)	(16,357)	(13,337)	(16,357)
Gross Profit	823	1,488	823	1,488
Other Operating Income	489	760	489	760
Other Operating, Administrative Expenses	(14,875)	(14,641)	(14,875)	(14,641)
Operating Loss before finance cost	(13,563)	(12,393)	(13,563)	(12,393)
Finance cost	(5,723)	(5,081)	(5,723)	(5,081)
Operating Loss after finance cost	(19,286)	(17,474)	(19,286)	(17,474)
Share of Profit in Joint Venture	28,326	33,936	28,326	33,936
Profit/(Loss) Before Taxation	9,040	16,462	9,040	16,462
Taxation	(54)	(322)	(54)	(322)
Net Profit/(Loss) For The Period	8,986	16,140	8,986	16,140
Other Comprehensive Income / (Loss)				
Foreign currency translation	-	-	-	-
Total Comprehensive Income/(Loss) for the Period	8,986	16,140	8,986	16,140
<u>Net Profit/(Loss) For The Period Attributable to:</u>				
Owners of the Company	14,077	21,135	14,077	21,135
Non-Controlling Interests	(5,091)	(4,995)	(5,091)	(4,995)
	8,986	16,140	8,986	16,140
Earnings/(Loss) Per Share attributable to Owners of the Company (sen) :				
- Basic	0.67	1.03	0.67	1.03
- Diluted	0.67	1.03	0.67	1.03
Weighted average number of Ordinary Shares in issue	2,090,318	2,042,318	2,090,318	2,042,318
Weighted average number of Ordinary Shares in issue (diluted)	2,090,318	2,042,318	2,090,318	2,042,318

Notes :

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying notes attached to the interim financial statements.

JAKS RESOURCES BERHAD
REGISTRATION NO. 200201017985 (585648-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	(Unaudited) As At End Of Financial Year End 31-Mar-2023 RM'000	(Audited) As At End Of Financial Year End 31-Dec-2022 RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	273,041	242,453
Investment properties	594,321	597,703
Investment in Joint Venture	829,105	800,779
Golf Club memberships	295	295
Goodwill on Consolidation	23,500	23,500
Right of use of Assets	308	344
	<u>1,720,570</u>	<u>1,665,074</u>
Current Assets		
Inventories	483	483
Contract assets	216,994	258,494
Trade and Other Receivables	337,839	339,893
Amount due from Joint Venture	10,282	10,282
Deposits placed with licensed banks	41,630	42,451
Cash and bank balances	24,102	62,147
	<u>631,330</u>	<u>713,750</u>
Total Assets	<u>2,351,900</u>	<u>2,378,824</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	1,074,143	1,074,143
Reserves	26,200	26,188
Accumulated Profit	324,951	310,874
	<u>1,425,294</u>	<u>1,411,205</u>
Non-controlling interests	(61,658)	(56,567)
TOTAL EQUITY	<u>1,363,636</u>	<u>1,354,638</u>
Non-Current Liabilities		
Long Term Borrowings	456,297	432,932
Deferred Tax Liabilities	67	67
	<u>456,364</u>	<u>432,999</u>
Current Liabilities		
Trade and Other Payables	477,080	522,390
Bank borrowings	43,801	57,862
Bank overdraft	11,019	10,935
	<u>531,900</u>	<u>591,187</u>
TOTAL EQUITY AND LIABILITIES	<u>2,351,900</u>	<u>2,378,824</u>
No of Ordinary Shares	2,090,318	2,090,318
Net Assets Per Share attributable to Owners of the parent (RM)	<u>0.68</u>	<u>0.68</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Current Year 3 Months ended 31-Mar-2023 RM'000	Preceding Year 3 Months ended 31-Mar-2022 RM'000
Cash flows from operating activities		
Profit / (Loss) before tax for the period	9,040	16,462
Adjustment for:		
Depreciation and amortisation	3,876	3,950
Interest expense	5,723	5,081
Interest income	(145)	(162)
Share of Profit in Joint Venture	(28,326)	(33,936)
Allowance for impairment of receivables	2,000	2,742
Operating profit/ (loss) before working capital changes	(7,832)	(5,863)
(Increase)/Decrease in working capital		
Contract assets	41,500	19,130
Trade and other receivables	123	(2,081)
Trade and other payables	(44,519)	(37,346)
	(2,896)	(20,297)
Net Cash generated from / (used in) Operating activities	(10,728)	(26,160)
Interest paid	(434)	(1,550)
Income tax paid	(877)	(1,066)
Net Operating Cash Flow	(12,039)	(28,776)
Cash flows from / (used in) investing activities		
Purchase of property, plant & equipment and right-of-use	(31,082)	(8,123)
Interest received	145	162
Decrease / (Increase) in deposits pledged	8,337	10,794
Net Investing Cash Flow	(22,600)	2,833
Cash flows from / (used in) financing activities		
Interest paid	(5,289)	(3,531)
Drawdown / (Repayment) of short term borrowings	(14,060)	(1,091)
Drawdown / (Repayment) of bank term loans	23,363	(21)
Net Financing Cash Flow	4,014	(4,643)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023. (Cont.)**

	Current Year 3 Months ended 31-Mar-2023	Preceding Year 3 Months ended 31-Mar-2022
	RM'000	RM'000
Net Change in Cash & Cash Equivalents	(30,625)	(30,586)
Cash & Cash Equivalents at beginning of the year	29,719	78,605
Translation Reserve	12	(123)
Cash & Cash Equivalents at end of the period.	(894)	47,896

Cash and Cash Equivalents

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts.

Deposits placed with licensed banks	41,630	44,402
Cash & bank balances	24,102	57,583
Bank overdrafts	(11,019)	(5,816)
	54,713	96,169
Less : Deposit held as security values	(41,630)	(44,402)
Bank balance held as security values	(2,737)	-
Debt service reserves account	(11,240)	(3,871)
	(894)	47,896

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD
REGISTRATION NO. 200201017985 (585648-T)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

	Attributable to Equity Holders of the Company						Non-Controlling Interest RM'000	Total Equity RM'000	
	Non-Distributable					Distributable			
	Share Capital RM'000	Share Options Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000			Sub-Total RM'000
Current Year Quarter ended 31 March 2023									
Balance as at 1 January 2023	1,074,143	11,198	238,089	(215,481)	(7,618)	310,874	1,411,205	(56,567)	1,354,638
Total Comprehensive Income for the Period	-	-	-	-	-	14,077	14,077	(5,091)	8,986
Foreign currency translation	-	-	-	-	12	-	12	-	12
Balance as at 31 March 2023	1,074,143	11,198	238,089	(215,481)	(7,606)	324,951	1,425,294	(61,658)	1,363,636
Preceding Year Quarter ended 31 March 2022									
Balance as at 1 January 2022	1,061,612	9,038	238,089	(215,482)	(9,608)	257,096	1,340,745	(39,309)	1,301,436
Total Comprehensive Income for the Period	-	-	-	-	-	21,135	21,135	(4,995)	16,140
Foreign currency translation	-	-	-	-	(123)	-	(123)	-	(123)
Balance as at 31 March 2022	1,061,612	9,038	238,089	(215,482)	(9,731)	278,231	1,361,757	(44,304)	1,317,453

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying notes attached to the interim financial statements).

A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation.

The interim financial statements are unaudited and have been prepared in compliance with FRS 134 “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2022.

The accounting policies and methods of computations followed by the Group in this interim financial report are consistent with those adopted in financial statements of the Group for the year ended 31 December 2022.

2. Qualification of Audit Report on Financial Statements.

The financial statements of JAKS for the financial year ended 31 December 2022 have been reported on without any audit qualification.

3. Seasonal or Cyclical Factors.

The business activities of the Group are not significantly affected by seasonal and cyclical factors.

4. Unusual Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows.

There are no major unusual items affecting the assets, liabilities, equity, net income, or cash flows of the Group for the period under review.

5. Material changes in estimates.

There are no material changes in estimates for the period under review.

6. Issuance and Repayment of Debt and Equity Securities.

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the financial period under review and up to 23 May 2023.

7. Dividend.

No dividend has been paid in respect of the financial period under review.

A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)

8. Segmental Information for the Financial Period Ended 31 March 2023.

Segment information was presented in respect of the Group's business segment. Inter-segment pricing was determined based on a negotiated basis.

Business Segments.

	Construction RM'000	Property Investment RM'000	Investment Holding & Others RM'000	Elimination RM'000	Total RM'000
REVENUE					
External Revenue	12,064	2,096	-	-	14,160
Inter-Company	-	-	1,950	(1,950)	-
	12,064	2,096	1,950	(1,950)	14,160
Segment Results	(6,667)	(5,369)	(2,016)		(14,052)
Other Income					489
Loss Before Finance Cost					(13,563)
Finance Cost					(5,723)
Loss After Finance cost					(19,286)
Share of Profit in Joint Venture					28,326
Profit Before Taxation					9,040
Taxation					(54)
Profit After Taxation					8,986
<u>Attributable to:</u> Owners of the Company					14,077
Non-Controlling Interests					(5,091)
					8,986

A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)

The Group's revenue for the financial period ended 31 March 2023 based on geographical location is presented as follows:

	RM'000
Malaysia	14,160
Vietnam	-

Total	14,160
	=====

9. Valuation of Property, Plant & Equipment.

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial statement for the year ended 31 December 2022.

10. Significant Events.

There were no significant subsequent events between the date of the last financial statements used in the preparation of this report and the date of this report, which will affect materially the content of this report.

11. Effect of Changes in the Composition of the Group.

There were no changes in the composition of the Group during the period under review.

12. Changes in Contingent Liabilities.

The changes in contingent liabilities of the Group since 31 December 2022 until 31 March 2023 were as follows: -

	As at 31 Mar 2023 RM'000	As at 31 Dec 2022 RM'000
Bank guarantees issued for execution of contracts of the Company or Subsidiaries company	90,914	90,914
	=====	=====

13. Material Commitment.

There are no material commitments incurred or known to be incurred by the Group that has not been provided for, which upon becoming enforceable, may have a material impact on the financial results/position of the Group.

JAKS RESOURCES BERHAD*REGISTRATION NO. 200201017985 (585648-T)***B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)****1. Review of Financial Performance.**

a) Revenue.

Segment	Current Year Quarter Ended 31/3/2023 RM'000	Preceding Year Quarter Ended 31/3/2022 RM'000	Changes %	Current Year To-date Ended 31/3/2023 RM'000	Preceding Year To-date Ended 31/3/2022 RM'000	Changes %
Construction	12,064	15,911	(24)	12,064	15,911	(21)
Property Investment	2,096	1,934	8	2,096	1,934	8
Investment Holding & Others	-	-	-	-	-	-
Total	14,160	17,845	(21)	14,160	17,845	(21)

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)

b) Profit / (Loss) Before Tax

Segment	Current Year Quarter Ended 31/3/2023 RM'000	Preceding Year Quarter Ended 31/3/2022 RM'000	Changes %	Current Year To-date Ended 31/3/2023 RM'000	Preceding Year To-date Ended 31/3/2022 RM'000	Changes %
Construction	(6,429)	(5,869)	(10)	(6,429)	(5,869)	(10)
Property Investment	(10,389)	(10,193)	2	(10,389)	(10,193)	2
Investment Holding & Others	(2,469)	(1,412)	75	(2,469)	(1,412)	75
Share of Profit in Joint Venture	28,327	33,936	(17)	28,327	33,936	(17)
	25,858	32,524	(20)	25,858	32,524	(20)
Total	9,040	16,462	(45)	9,040	16,462	(45)

The Group achieved revenue of RM14.2 million in the current quarter ended 31 March 2023, lower by 21% as compared to the revenue of RM17.8 million in the same quarter of the previous year. The decrease was mainly due lower revenue recognised as current local construction works are at advanced completion stage, and new projects are still pending.

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)

The Group's profitability in the first quarter 2023 stemmed mainly from the share of profit recognised in the Vietnam joint venture and this assisted in buffering the losses incurred in other business segments of the Group. The Group achieved a profit before tax of RM9.0 million in the first quarter 2023 as compared to a profit before tax of RM16.5 million in the previous year's corresponding quarter. The lower profit was mainly due to lower share of profit in the Vietnam joint venture of RM28.3 million as compared to RM33.9 million recorded in the first quarter of the preceding year as the joint venture had incurred higher interest expenses, in view of rising interest rates.

The Construction division achieved a lower revenue of RM12.1 million in the first quarter of 2023, a decrease of RM3.8 million from the previous year's corresponding quarter amount of RM15.9 million. For the quarter under review, this division only recognised revenue from the local construction works. Most of the projects undertaken were at the tail end and the work progress was delayed. This division incurred loss before tax of RM6.4 million in the current year first quarter as compared to a loss before tax of RM5.9 million in the preceding year quarter.

The Property Investment division contributed slightly better revenue of RM2.1 million in the quarter under review as compared to RM1.9 million in the previous year's corresponding quarter with improvement in the occupancy of the shopping mall and business hub. This division recorded a slightly higher loss before tax of RM10.4 million as compared to a loss before tax of RM10.2 million in the first quarter of 2022.

The Investment Holding & Others division recorded a lower profit before tax of RM25.9 million in the quarter under review as compared to a profit before tax of RM32.5 million achieved in the preceding year's corresponding quarter. The lower profitability was mainly due to lower share of profit in the Vietnam joint venture of in the first quarter as compared to previous year's corresponding quarter.

2. Variation of Results against Preceding Period.

	Current Year Quarter 1/1/23-31/3/23 <u>RM'000</u>	Immediate Preceding Quarter 1/10/22-31/12/22 <u>RM'000</u>	Changes %
Revenue	14,160	50,705	(72)
Profit/(Loss) before tax	9,040	(5,323)	270

The Group recorded a lower revenue of RM14.2 million in the current quarter, compared to a revenue of RM50.7 million in the preceding quarter ended 31 December 2022. The decrease was mainly due to the absence of recognition on construction revenue from the Vietnam EPC construction works in the current quarter.

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)

Despite the lower revenue, the Group recorded a profit before tax of RM9.0 million in the current quarter as compared to a loss before tax of RM5.3 million in the preceding quarter ended 31 December 2022 as in the preceding quarter, there were provisions made on the impairment of goodwill and receivables.

3. Prospects.

The Malaysian economy expanded by 5.6% in the first quarter of 2023, comparing favourably with regional growth such as Indonesia (5%), China (4.5%) and Vietnam (3.3%). On a quarter-on-quarter seasonally adjusted basis, the economy grew by 0.9% in Q1 2023 compared to the contraction of 1.7% in Q4 2022. This performance was underpinned by broad based growth across all sectors especially services and manufacturing, which grew by 7.3% and 3.2% respectively. This will augur well for the Group's Power-Energy division as the demand for electricity is expected to increase. The Group targets to achieve commercial operation of the LSS4 solar project by the second quarter of 2023, approximately 6 months ahead of the scheduled commercial operation date of 31 December 2023, after which this project will start contributing additional stream of stable recurring income with a 25-year concession period.

The geopolitical tensions, elevated price pressures and tighter financial conditions will also continue to affect world economic outlook. Meanwhile, on the domestic front, extreme climate occurrences such as the current heat wave phenomena and the expected El Nino season starting in June 2023 are expected to weigh on economic activities to a certain extent, especially on the agriculture and construction sectors. The Group is hopeful that the profits to be generated from the Power-Energy division will cushion the current soft construction outlook and the highly competitive draw on footfall to the retail malls.

The Construction division is faced with competitive bidding for new construction projects in Malaysia. The rising prices of construction material and labour shortages have put this division on the alert to look out for projects that has sufficient margins and that accommodates inflationary pressures. This division is working on various plans to replenish its order book.

Footfall at shopping malls across the country has picked up since Covid-19 restrictions were eased last year and the Property Investment division will continue its efforts to improve the occupancy rate and rental yield of its Evolve Mall at Ara Damansara and Pacific Tower Business Hub at Section 13, Petaling Jaya.

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)

4. Profit Forecast / Guarantee.

The Company did not issue any profit forecast or guarantees.

5. Taxation.

Included in the taxation are the following:

	Current Quarter Ended 31 Mar 2023 RM'000	Year-to-date Ended 31 Mar 2023 RM'000
Taxation	54	54
	=====	=====

The tax provision was based on the estimated taxable amount. The tax charge of the Group is mainly from profitable subsidiaries' taxation, and for tax purposes, cannot be utilised to set off against losses of other companies within the Group. The effective tax rate was lower as most of the Group's profit generated were derived from the Vietnam operations which has low tax rate of 1% to 2%.

6. Group Borrowings.

Group borrowings as at 31 March 2023 including interest denominated in Ringgit Malaysia are as follows: -

	Secured <u>RM'000</u>	Unsecured <u>RM'000</u>	Total <u>RM'000</u>
Short term borrowings	43,801	-	43,801
Overdraft	11,019	-	11,019
Long term borrowings	456,297	-	456,297
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Total	511,117	-	511,117
	=====	=====	=====

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)

7. Notes to the statement of comprehensive income.

The profit before taxation is derived after taking into consideration the following:

	Year-to-date Ended 31 Mar 2023 RM'000
<u>Expenses</u>	
Depreciation and Amortisation	3,876
Interest Expense	5,723
Allowance for Impairment of Receivables	2,000
<u>Income</u>	
Interest Income	145
Share of Profit in Joint Venture	28,326

8. Material Litigation.

(a) Star Media Group Berhad (“STAR”) Claim

STAR had on 30 April 2019 served a Writ of Summons and Statement of Claim dated 19 April 2019 against the Company claiming that our Company as the corporate guarantor of JAKS Island Circle Sdn Bhd (“JIC”) is liable for JIC’s purported default of obligations under the Sale and Purchase Agreement entered into on 19 August 2011 between JIC and STAR (“Sale and Purchase Agreement”) to purchase a leasehold land located at Seksyen 13, Petaling Jaya for a purchase consideration of RM135 million. The claim is for inter alia specific relief and damages for the total amount of approximately RM177.72 million.

For information purposes only, JIC is no longer an indirect subsidiary of the Company following its disposal by JAKS Sdn Bhd (“JSB”) on 29 September 2020.

On 27 May 2019, the Company filed its Defence and Counterclaim against STAR for inter alia damages arising from injury to its reputation and business.

STAR then filed its Reply and Defence to Counterclaim on 20 June 2019.

On 6 August 2019, the Company filed its Amended Defence and Counterclaim against STAR and on 10 September 2019, the Company filed its Reply to

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)

Defence to Counterclaim. Various litigation proceedings have been and are still ongoing between STAR and the Company.

The hearing of 3 motions for leave to appeal to the Federal Court filed by STAR was held on 23 February 2023. The Federal Court has granted leave to STAR to appeal against the decision of the Court of Appeal dated 27 July 2021. On 9 May 2023, the Court has fixed 3 July 2023 for Case Management

(b) Claim against STAR at Kuala Lumpur High Court

On 30 May 2019, the Company and JIC filed a Suit against STAR for breach of the Sale and Purchase Agreement and claimed inter alia the following relief:-

- a) a declaration that the Completion Period for JIC to deliver STAR's entitlement under the Sale and Purchase Agreement is on 20 June 2020;
- b) a declaration that STAR has breached the Sale and Purchase Agreement;
- c) a declaration that STAR is unjustly enriched;
- d) the sum of RM248,242,987.62 to be paid to JIC as liquidated and ascertained damages;
- e) the sum of RM297,035,481.00 to be paid to the Company as loss of proceeds;
- f) the sum of RM50,000,000.00 together with all interests and all related costs incurred thereto pursuant to the Bank Guarantees to be refunded and/or returned to JIC within 7 days from the date of the Court order; and
- g) damages

On 5 July 2019, STAR filed its Defence.

Various litigation proceedings have been and are still ongoing between the parties.

Currently, the main Suit is fixed for trial from 4 March 2024 to 8 March 2024.

(c) Adjudication from Teknoserv Engineering Sdn Bhd ("TESB")

TESB commenced adjudication proceedings against JSB and KACC Construction Sdn Bhd ("KACC"), who are members of an unincorporated joint venture, JAKS-KACC JV, vide a notice of adjudication dated 17 August 2022 pursuant to the Construction Industry Payment and Adjudication Act 2012. The adjudicator delivered the adjudication decision dated 23 November 2022 ("Adjudication Decision") wherein JAKS and KACC are required to pay the following sums to TESB (collectively "Adjudicated Sums"):-

- (a) the adjudicated amount of RM11,491,322.00;

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)

- (b) simple interest as the rate of 5% per annum on the amount of RM2,221,694.23 from 10 August 2021; on the amount of RM8,994,785.07 from 23 November 2021; and on the amount of RM274,842.70 from the date of the Adjudication Decision shall be payable until full and final settlement thereof;
- (c) RM54,995.69 being the adjudicator's fees and the Asian International Arbitration Centre's fees; and
- (d) RM120,000.00 being party and party costs.

On 9 January 2023, TESB filed an application to enforce the Adjudication Decision.

On 16 February 2023, JSB and KACC filed applications to set aside and to stay the Adjudication Decision.

On 13 March 2023, on the agreement of both parties, the High Court granted an ad interim stay pending disposal of the setting aside application.

The High Court has fixed the Enforcement Application, Setting Aside of Adjudication Decision and Stay of Adjudication Decision for hearing on 25 August 2023.

(d) Arbitration between JAKS-KACC JV and TESB

JSB and KACC served a notice of arbitration dated 23 December 2022 on TESB to claim for, inter alia, loss and damage, costs and indemnity amounting to an estimated sum of RM11,773,250.00 including costs of maintenance of the temporary treatment facilities, all costs and expenses involved and/or to be incurred in completing the outstanding sub-contract works and defects rectification works which had arisen as a result of TESB's failure to complete the project and/or wrongful determination of the sub-contract.

On 15 February 2023, JAKS-KACC JV referred and registered the dispute between JAKS-KACC JV and TESB for arbitration at the Asian International Arbitration Centre.

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)**9. Earnings / (Loss) Per Ordinary Share**

The earnings / loss per share has been calculated based on the Group's profit / (loss) attributable to owners of the Company for the period and the weighted average number of ordinary shares outstanding as at end of the period.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter Ended 31/3/23 RM'000	Preceding Year Quarter Ended 31/3/22 RM'000	Current Year To-date Ended 31/3/23 RM'000	Preceding Year To-date Ended 31/3/22 RM'000
a) <u>Basic Earnings/(Loss) Per Share</u>				
Profit/(Loss) for the period attributable to owners of the Company	14,077	21,135	14,077	21,135
Weighted average Number of Share in issue (RM1.00 each)	2,090,318	2,042,318	2,090,318	2,042,318
Basic Earnings / (Loss) Per Share (sen)	0.67	1.03	0.67	1.03
b) <u>Diluted Earnings/(Loss) Per Share</u>				
Profit/(Loss) for the period attributable to owners of the Company	14,077	21,135	14,077	21,135
Weighted average Number of Share in issue (RM1.00 each)	2,090,318	2,042,318	2,090,318	2,042,318
Effect of dilution due to issuance of shares	-	-	-	-
Adjusted weighted average Number of Share in issue applicable to diluted				
Earnings/(Loss) per share (RM1.00 each)	2,090,318	2,042,318	2,090,318	2,042,318
Diluted Earnings/(Loss) Per Share (sen)	0.67	1.03	0.67	1.03

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)

10. Status of the Corporate Exercise

a) Proposed Private Placement

On 20 December 2022, the Company announced to undertake the proposed private placement of up to 292,884,436 new ordinary shares in JAKS (“Placement Share(s)”), representing up to approximately 10% of the total number of issued JAKS Shares at an issue price to be determined and announced at a later date after receipt of all relevant approvals for the Proposed Private Placement. The shareholders’ approval was obtained at an Extraordinary General Meeting (“EGM”) held on 3 March 2023.

On 18 May 2023, the Company had fixed the issue price for its’ first tranche of Placement Shares at RM0.1850. The issue price of RM0.1850 represents a discount of RM0.0175 or approximately 8.64% to the 5-day volume weighted average price of JAKS Shares up to and including 17 May 2023, being the market day immediately preceding the price-fixing date of RM0.2025 per JAKS Share (“Price-Fixing Announcement”)

Subsequent to the Price-Fixing Announcement, a total of 129,017,000 of new Placement Shares were listed on 29 May 2023, raising approximately RM23.9 million.

b) Dividend Reinvestment Plan (“DRP”)

On 13 February 2023, the Company announced a proposal to establish a dividend reinvestment plan which will provide shareholders of JAKS with an option to elect to reinvest in whole or in part, their cash dividend(s) as may be declared by JAKS, which includes any interim, final, special or other types of cash dividend in new ordinary shares in JAKS.

The Proposed DRP is subject to the shareholders’ approval of the Company at the Annual General Meeting to be convened on 27 June 2023.

11. Authorisation for issue.

The interim financial statements were authorised for issue by the Board of Directors on 29 May 2023.