

**JAKS RESOURCES BERHAD**  
**REGISTRATION NO. 200201017985 (585648-T)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

THE FIGURES HAVE NOT BEEN AUDITED

The Directors are pleased to announce the 3rd Quarter unaudited financial results for the financial period ended 30 September 2023

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter ended 30-Sep-2023	Preceding Year Quarter ended 30-Sep-2022	Current Year To-date ended 30-Sep-2023	Preceding Year To-date ended 30-Sep-2022
	RM'000	RM'000	RM'000	RM'000
Revenue	9,984	16,380	27,456	43,944
Cost of Sales	(5,084)	(14,524)	(20,926)	(39,297)
Gross Profit	4,900	1,856	6,530	4,647
Other Operating Income	723	625	1,858	1,858
Other Operating, Administrative Expenses	(30,912)	(27,527)	(58,864)	(57,015)
Operating Loss before finance cost	(25,289)	(25,046)	(50,476)	(50,510)
Finance cost	(8,470)	(5,689)	(20,370)	(16,767)
Operating Loss after finance cost	(33,759)	(30,735)	(70,846)	(67,277)
Share of Profit in Joint Venture	35,962	46,524	96,600	110,017
Profit/(Loss) Before Taxation	2,203	15,789	25,754	42,740
Taxation	(25)	(137)	(154)	(504)
Net Profit/(Loss) For The Period	2,178	15,652	25,600	42,236
Other Comprehensive Income / (Loss)				
Foreign currency translation	-	-	-	-
Total Comprehensive Income/(Loss) for the Period	2,178	15,652	25,600	42,236
<u>Net Profit/(Loss) For The Period Attributable to :</u>				
Owners of the Company	7,147	20,343	40,335	56,743
Non-Controlling Interests	(4,969)	(4,691)	(14,735)	(14,507)
	2,178	15,652	25,600	42,236
Earnings/(Loss) Per Share attributable to Owners of the Company (sen) :				
- Basic	0.33	1.00	1.85	2.78
- Diluted	0.33	1.00	1.85	2.78
Weighted average number of Ordinary Shares in issue ('000)	2,176,543	2,044,124	2,176,543	2,044,124
Weighted average number of Ordinary Shares in issue (diluted) ('000)	2,176,543	2,044,297	2,176,543	2,044,297

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 30 SEPTEMBER 2023**

	(Unaudited) As At End Of Financial Period End 30-Sep-2023 RM'000	(Audited) As At End Of Financial Year End 31-Dec-2022 RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant and Equipment	299,238	242,453
Investment properties	587,546	597,703
Investment in Joint Venture	897,378	800,779
Golf Club memberships	295	295
Goodwill on Consolidation	23,500	23,500
Right of use of Assets	2,087	344
	<u>1,810,044</u>	<u>1,665,074</u>
<b>Current Assets</b>		
Inventories	483	483
Contract assets	171,851	258,494
Trade and Other Receivables	379,652	339,893
Amount due from Joint Venture	10,282	10,282
Deposits placed with licensed banks	34,404	42,451
Cash and bank balances	36,808	62,147
	<u>633,480</u>	<u>713,750</u>
<b>Total Assets</b>	<u>2,443,524</u>	<u>2,378,824</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
<b>Share Capital</b>	1,125,104	1,074,143
<b>Reserves</b>	24,917	26,188
<b>Accumulated Profit</b>	350,327	310,874
	<u>1,500,348</u>	<u>1,411,205</u>
<b>Non-controlling interests</b>	(71,302)	(56,567)
<b>TOTAL EQUITY</b>	<u>1,429,046</u>	<u>1,354,638</u>
<b>Non-Current Liabilities</b>		
Long Term Borrowings	452,609	432,932
Deferred Tax Liabilities	67	67
	<u>452,676</u>	<u>432,999</u>
<b>Current Liabilities</b>		
Trade and Other Payables	510,901	522,390
Bank borrowings	44,938	57,862
Bank overdraft	5,963	10,935
	<u>561,802</u>	<u>591,187</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,443,524</u>	<u>2,378,824</u>
No of Ordinary Shares	2,219,335	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 30 SEPTEMBER 2023

	Current Year 9 Months ended 30-Sep-2023 RM'000	Preceding Year 9 Months ended 30-Sep-2022 RM'000
<b>Cash flows from operating activities</b>		
Profit / (Loss) before tax for the period	25,754	42,740
Adjustment for:		
Depreciation and amortisation	13,960	11,762
Interest expense	20,370	16,767
Interest income	(526)	(684)
Gain on disposal of plant & equipment	(433)	-
Share of Profit in Joint Venture	(96,600)	(110,017)
Allowance for impairment of receivables	6,000	6,927
Long Term Incentive Plan ("LTIP") expenses	12,690	13,980
Operating profit/ (loss) before working capital changes	(18,785)	(18,525)
(Increase)/Decrease in working capital		
Contract assets	86,643	(4,672)
Trade and other receivables	(47,437)	(6,678)
Trade and other payables	(9,799)	(18,763)
	29,407	(30,113)
<b>Net Cash generated from / (used in) Operating activities</b>	10,622	(48,638)
Interest paid	(4,301)	(5,942)
Income tax paid	(1,910)	(2,949)
<b>Net Operating Cash Flow</b>	4,411	(57,529)
<b>Cash flows from / (used in) investing activities</b>		
Purchase of property, plant & equipment and right-of-use	(60,587)	(96,014)
Interest received	526	684
Proceeds from disposal of property, plant & equipment	434	-
Decrease / (Increase) in deposits pledged	18,086	(7,753)
<b>Net Investing Cash Flow</b>	(41,541)	(103,083)
<b>Cash flows from / (used in) financing activities</b>		
Proceeds from issuance of share capital	38,271	-
Interest paid	(16,069)	(10,825)
Drawdown / (Repayment) of short term borrowings	(12,924)	104,752
Drawdown (Repayment) of lease liabilities	-	(49)
Drawdown / (Repayment) of bank term loans	19,677	(4,000)
Share issuance expenses	(882)	106
<b>Net Financing Cash Flow</b>	28,073	89,984

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023. (Cont.)**

	Current Year 9 Months ended 30-Sep-2023	Preceding Year 9 Months ended 30-Sep-2022
	RM'000	RM'000
<b>Net Change in Cash &amp; Cash Equivalents</b>	(9,057)	(70,628)
<b>Cash &amp; Cash Equivalents at beginning of the year</b>	29,719	78,605
<b>Translation Reserve</b>	(1,271)	(2,357)
<b>Cash &amp; Cash Equivalents at end of the period.</b>	19,391	5,620

**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	34,404	43,045
Cash & bank balances	36,808	40,058
Bank overdrafts	(5,963)	(10,663)
	65,249	72,440
Less : Deposit held as security values	(34,404)	(43,045)
Bank balance held as security values	(214)	(19,904)
Debt service reserves account	(11,240)	(3,871)
	19,391	5,620

(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 30 SEPTEMBER 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		
<b>Current Year Quarter ended 30 September 2023</b>									
<b>Balance as at 1 January 2023</b>	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	-	-	-	-	-	40,335	40,335	(14,735)	25,600
Foreign currency translation	-	-	-	-	(1,271)	-	(1,271)	-	(1,271)
Issuance of ordinary shares									
Private placement expenses	-	-	-	-	-	(882)	(882)	-	(882)
Private placement	38,271	-	-	-	-	-	38,271	-	38,271
Issuance of shares under share grant plan	12,690	-	-	-	-	-	12,690	-	12,690
<b>Balance as at 30 September 2023</b>	1,125,104	11,198	238,089	(215,481)	(8,889)	350,327	1,500,348	(71,302)	1,429,046
<b>Preceding Year Quarter ended 30 September 2022</b>									
<b>Balance as at 1 January 2022</b>	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	-	-	-	-	-	56,743	56,743	(14,507)	42,236
Foreign currency translation	-	-	-	-	(2,357)	-	(2,357)	-	(2,357)
Issuance of ordinary shares									
Reversal Right issue expenses	-	-	-	-	-	106	106	-	106
Issuance of shares under share grant plan	11,700	-	-	-	-	-	11,700	-	11,700
Share options granted under LTIP	-	2,280	-	-	-	-	2,280	-	2,280
<b>Balance as at 30 September 2022</b>	1,073,312	11,318	238,089	(215,482)	(11,965)	313,945	1,409,217	(53,816)	1,355,401

(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.

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

**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 November 2023, save as listed below:

(i) 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.

- a) On 18 May 2023, the Company had fixed the issue price for the first tranche of Placement Shares at RM0.1850 per share. 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 1”)

Subsequent to the Price-Fixing Announcement 1, a total of 129,017,000 of new Placement Shares were listed on 29 May 2023, raising approximately RM23.9 million.

The status of utilisation of proceeds as of 23 November 2023 is as follows.

<b>Proposed utilisation of proceeds</b>	<b>Proceeds raised RM'000</b>	<b>Utilised as at 23.11.23 RM'000</b>	<b>Timeframe for utilisation</b>
(i) Repayment of credit facilities	14,062	14,062	Within 12 months
(ii) Working capital requirements	9,148	9,148	Within 12 months
(iii) Estimated expenses for the Private Placement	659	659	Within 3 months
	23,869	23,869	

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

- b) On 30 August 2023, the Company had fixed the issue price for the second tranche of Placement Shares at RM0.18 per share. The issue price of RM0.18 represents a discount of RM0.0188 or approximately 9.46% to the 5-day volume weighted average price of JAKS Shares up to and including 29 August 2023, being the market day immediately preceding the price-fixing date of RM0.1988 per JAKS Share (“Price-Fixing Announcement 2”)

Subsequent to the Price-Fixing Announcement 2, a total of 80,014,700 of new Placement Shares were listed on 8 September 2023, raising approximately RM14.4 million.

The status of utilisation of proceeds as of 23 November 2023 is as follows.

<b>Proposed utilisation of proceeds</b>	<b>Proceeds raised RM'000</b>	<b>Utilised as at 23.11.23 RM'000</b>	<b>Timeframe for utilisation</b>
(i) Repayment of credit facilities	5,050	5,050	Within 12 months
(ii) Working capital requirements	8,872	8,872	Within 12 months
(iii) Estimated expenses for the Private Placement	481	481	Within 3 months
	14,403	14,403	

With the issuance of 80,014,700 new shares on 8 September 2023, the Private Placement exercise was completed.

(ii) Long Term Incentive Plan (“LTIP”)

On 10 July 2023, the Company granted 70,500,000 ordinary shares (“LTIP Shares”) under the Restricted Share Plan (“RSP”) of the Company’s Long-Term Incentive Plan (“LTIP”) to eligible directors and employees of the Group.

**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 30 September 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	Power Energy RM'000	Investment Holding & Others RM'000	Elimination RM'000	Total RM'000
REVENUE						
External Revenue	17,004	7,195	3,257	-	-	27,456
Inter-Company	-	-	-	5,850	(5,850)	-
	17,004	7,195	3,257	5,850	(5,850)	27,456
Segment Results	(20,629)	(15,262)	697	(17,140)		(52,334)
Other Income						1,858
Loss Before Finance Cost						(50,476)
Finance Cost						(20,370)
Loss After Finance cost						(70,846)
Share of Profit in Joint Venture						96,600
Profit Before Taxation						25,754
Taxation						(154)
Profit After Taxation						25,600
<u>Attributable to:</u>						
Owners of the Company						40,335
Non-Controlling Interests						(14,735)
						25,600

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

The Group's revenue for the financial period ended 30 September 2023 based on geographical location is presented as follows:

	RM'000
Malaysia	27,456
Vietnam	-
	-----
Total	27,456
	=====

**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, save as listed below:

On 12 September 2023, JAKS Solar Power Holdings Sdn Bhd had incorporated a wholly-owned subsidiary, JANS Solar Holdings Sdn Bhd, with issued capital of RM100 to undertake the development and generation of renewable energy business.

On 20 September 2023, JANS Solar Holdings Sdn Bhd had incorporated a wholly-owned subsidiary, JANS Solar (Nibong Tebal) Sdn Bhd, with issued capital of RM100 to undertake the business of renewable energy such as solar power projects.

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

**12. Changes in Contingent Liabilities.**

The changes in contingent liabilities of the Group since 31 December 2022 until 30 September 2023 were as follows: -

	As at 30 Sep 2023 RM'000	As at 31 Dec 2022 RM'000
Bank guarantees issued for execution of contracts of the Company or Subsidiaries company	40,914 =====	90,914 =====

**13. Material Commitment.**

There are no material commitments incurred or known to be incurred by the Group that have 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 30/9/2023 RM'000	Preceding Year Quarter Ended 30/9/2022 RM'000	Changes %	Current Year To-date Ended 30/9/2023 RM'000	Preceding Year To-date Ended 30/9/2022 RM'000	Changes %
Construction	3,952	14,388	(73)	17,004	37,739	(55)
Property Investment	2,775	1,992	39	7,195	6,205	16
Power Energy	3,257	-	100	3,257	-	100
Investment Holding & Others	-	-	-	-	-	-
Total	9,984	16,380	(39)	27,456	43,944	(38)

**JAKS RESOURCES BERHAD**

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**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 30/9/2023 RM'000	Preceding Year Quarter Ended 30/9/2022 RM'000	Changes  %	Current Year To-date Ended 30/9/2023 RM'000	Preceding Year To-date Ended 30/9/2022 RM'000	Changes  %
Construction	(7,790)	(6,147)	(27)	(20,911)	(19,130)	(9)
Property Investment	(10,141)	(9,577)	(6)	(30,070)	(29,608)	(2)
Power Energy	(1,471)	-	(100)	(1,951)	-	(100)
Investment Holding & Others Share of Profit in Joint Venture	(14,357)	(15,011)	4	(17,914)	(18,539)	3
	35,962	46,524	(23)	96,600	110,017	(12)
	21,605	31,513	(31)	78,686	91,478	(14)
Total	2,203	15,789	(86)	25,754	42,740	(40)

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

For the quarter ended 30 September 2023, the Group achieved revenue of RM9.98 million, a decrease of 39% when compared with the revenue of RM16.4 million achieved in the preceding year's corresponding quarter. The drop in revenue was mainly due to the lower project revenue recognised from the ongoing local construction works in the current quarter as the projects are at advanced stages of completion.

The Group's recorded a profit before tax of RM2.2 million in the third quarter of 2023 as compared to a profit before tax of RM15.8 million achieved in the corresponding quarter of the previous year. The lower profit was largely due to lower share of profit recognised from the Vietnam joint venture of RM35.9 million, a reduction of RM10.5 million from the previous year's corresponding period, mainly due to higher interest cost incurred.

In the third quarter of 2023, the Construction division reported lower revenue of RM3.9 million, a reduction of 73% compared to the revenue of RM14.4 million in the same quarter of the previous year. This decline was primarily attributed to the lower revenue recognition from the local construction works that are in their final stages of completion. With the lower revenue, this division incurred a higher loss before tax 7.8 million in this third quarter compared to RM6.1 million loss before tax incurred in the corresponding quarter of the previous year.

In the quarter under review, the Property Investment division improved its revenue contribution to RM2.8 million, from RM2.0 million achieved in the previous year's corresponding quarter. This division reported loss before tax of RM10.1 million, compared to loss before tax of RM9.6 million in the third quarter of 2022 mainly due to higher interest cost incurred.

Following the successful completion and achievement of commercial operations date for the 50MW solar photovoltaic project under the Large-Scale Solar ("LSS") 4 Programme in August 2023, the Power Energy division commenced its business operations of generation and delivery of renewable energy to Tenaga Nasional Berhad ("TNB") under the Power Purchase Agreement with TNB. Revenue contribution of RM3.3 million was made to the Group from this division. Due to the depreciation and interest cost recognised, this division incurred loss before tax of RM1.47 million.

The Investment Holding & Others division recorded a reduced profit before tax of RM21.6 million in the quarter under review, as compared to RM31.5 million profit before tax achieved in the corresponding quarter of the preceding year. The lower profitability was primarily attributed to a lower share of profit from the Vietnam joint venture as mentioned earlier.

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

### 2. Variation of Results against Preceding Period.

	Current Year Quarter 1/7/23-30/9/23 <u>RM'000</u>	Immediate Preceding Quarter 1/4/23-30/6/23 <u>RM'000</u>	Changes %
Revenue	9,984	3,312	201
Profit/(Loss) before tax	2,203	14,511	(85)

In the current quarter, the Group reported higher revenue amounting to RM9.98 million, an increase of RM6.7 million from the preceding quarter with higher revenue recognised from the Construction (increased by 300%), Property Investment division (increased by 20%) and further boosted by revenue contribution that began to flow in from the Solar Power division of RM3.3 million.

However, due to the charge out of the long term incentive plan (“LTIP”) expenses of RM12.7 million, the Group incurred lower profit before tax of RM2.2 million in the current quarter, compared to a profit before tax of RM14.5 million in the preceding quarter. Operationally, setting aside the LTIP expenses, the Group is still profitable.

### 3. Prospects.

The strategic move towards renewable energy business is yielding results, evidenced by the LSS4 solar project's early completion, achieved four months ahead of the scheduled commercial operation date of 31 December 2023. This accomplishment brings in an additional stream of consistent income for the next 25 years, offering some relief amid the decline in construction revenue. Furthermore, the Group recently secured a successful bid through the Energy Commission’s Corporate Green Power Programme (“CGPP”) to develop a 29.99 MW Solar Plant. The Group will continue to expand its renewable energy projects and asset portfolio through greenfield development and acquisition of renewable energy assets.

Continued geopolitical tensions, increased price pressures, and tighter financial conditions are expected to persist, shaping the global economic outlook. Simultaneously, domestically, the occurrence of severe climate events – such as the ongoing heatwave and the anticipated onset of El Nino conditions from June 2023 are likely to significantly affect economic activities, notably within the agriculture and construction sectors. Within this framework, the Group foresees that the profits generated by the Power-Energy division will play a crucial role in mitigating the current restrained construction outlook and the competitive hurdles faced by retail malls in attracting foot traffic.

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

Within the Construction division, the landscape involves intense competition for new projects in Malaysia. Escalating costs of construction materials and labour shortages have prompted heightened vigilance in selecting projects with ample margins that can accommodate inflationary pressures. Consequently, the division is actively devising strategies to replenish its order book while navigating these challenges.

Post Covid-19, we are starting to see improvement and recovery in the commercial and shopping mall space. In light of this trend, the Property Investment division remains committed to enhancing the occupancy rate and rental yield of its properties, namely Evolve Mall in Ara Damansara and Pacific Tower Business Hub in Section 13, Petaling Jaya.

#### 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 30 Sep 2023 RM'000	Year-to-date Ended 30 Sep 2023 RM'000
Taxation	25	154
	=====	=====

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 30 September 2023 including interest denominated in Ringgit Malaysia are as follows: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	44,938	-	44,938
Overdraft	5,963	-	5,963
Long term borrowings	452,609	-	452,609
	-----	-----	-----
Total	503,510	-	503,510
	=====	=====	=====



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### 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 30 Sep 2023 RM'000
<u>Expenses</u>	
Depreciation and Amortisation	13,960
Interest Expense	20,370
Allowance for Impairment of Receivables	6,000
Long Term Incentive Plan ("LTIP") expenses	12,690
<u>Income</u>	
Interest Income	526
Gain on disposal of plant & equipment	433
Share of Profit in Joint Venture	96,600

#### 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.

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

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

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 5 July 2023 for Case Management. On 5 July 2023, the Federal Court has fixed next Case Management on 15 August 2023 for parties to obtain the Grounds of Judgment for the decision of the Court of Appeal dated 27 July 2021. The Case Management on 20 November 2023 was fixed to do some housekeeping, with the Hearing on 6 December 2023 is maintained.

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.

**(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.

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**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 30/9/23 RM'000	Preceding Year Quarter Ended 30/9/22 RM'000	Current Year To-date Ended 30/9/23 RM'000	Preceding Year To-date Ended 30/9/22 RM'000
<b>a) <u>Basic Earnings/(Loss) Per Share</u></b>				
Profit/(Loss) for the period attributable to owners of the Company	7,147	20,343	40,335	56,743
Weighted average Number of Share in issue (RM1.00 each) ('000)	2,176,543	2,044,124	2,176,543	2,044,124
Basic Earnings / (Loss) Per Share (sen)	0.33	1.00	1.85	2.78
<b>b) <u>Diluted Earnings/(Loss) Per Share</u></b>				
Profit/(Loss) for the period attributable to owners of the Company	7,147	20,343	40,335	56,743
Weighted average Number of Share in issue (RM1.00 each) ('000)	2,176,543	2,044,124	2,176,543	2,044,124
Effect of dilution due to issuance of shares	-	173	-	173
Adjusted weighted average Number of Share in issue applicable to diluted				
Earnings/(Loss) per share (RM1.00 each) ('000)	2,176,543	2,044,297	2,176,543	2,044,297
Diluted Earnings/(Loss) Per Share (sen)	0.33	1.00	1.85	2.78

## **JAKS RESOURCES BERHAD**

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

#### **10. Status of the Corporate Exercise**

##### **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 was approved by the shareholders of the Company at the Annual General Meeting convened on 27 June 2023.

#### **11. Authorisation for issue.**

The interim financial statements were authorised for issue by the Board of Directors on 28 November 2023.