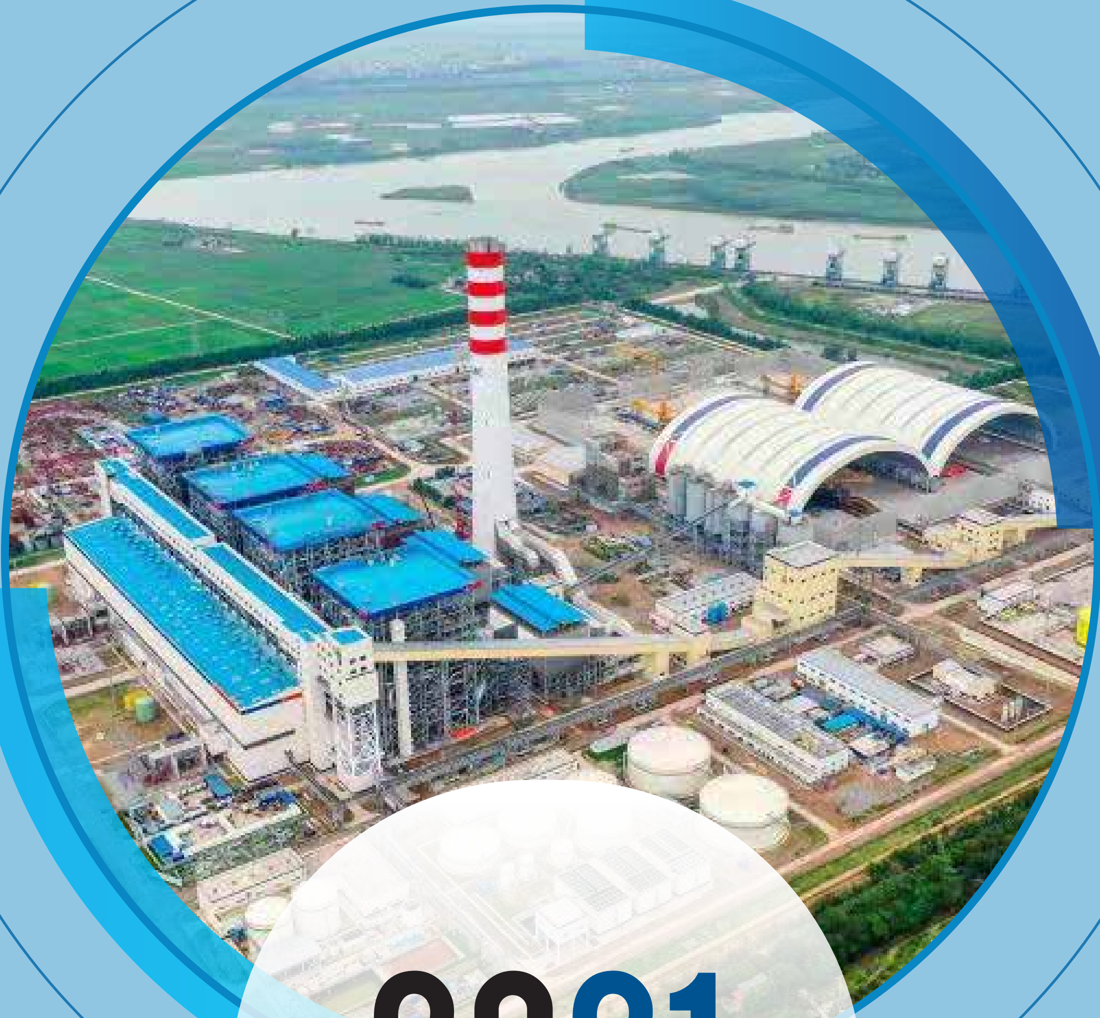
JAKS RESOURCES BERHAD

(200201017985 [585648-T])



2021
ANNUAL REPORT

TOWARDS
BETTER
PERFORMANCE

CONTENTS

JAKS AT A GLANCE

The business of JAKS was started by our founder Datuk Ang Ken Seng in the 60's from the humble beginning as a plumber providing services to residential premises. Datuk Ang's vision to be a major player in the water reticulation works eventually led to the incorporation of JAKS Sdn Bhd in 1987, which eventually became the core business and subsidiary of JAKS Resources Berhad ("JAKS") for its listing on the Main Market of Bursa Malaysia Securities Berhad on 1 July 2004 under the Construction Sector (Name & Code: JAKS & 4723). JAKS was registered with Construction Industry Development Board with a Grade 7 certification and the National Water Services Commission with Permit In-Principal Approval for water supply and sewerage.

JAKS Group of Companies was initially involved in the water supply and infrastructure of construction projects, supply and trading of building materials and steel related products. The Group, thereafter, in 2011 entered into an independent power project in Vietnam to develop a 2 x 600-megawatt coal-fired build-operate-transfer ("BOT") thermal power plant in Hai Duong Province, Vietnam ("Hai Duong BOT thermal power plant") under a 25-year concession power purchase agreement with Vietnam Electricity. Subsequently JAKS formed a joint venture with China Power Engineering Consulting Group Co Ltd to jointly build and run the Hai Duong BOT thermal power plant valued at US$1.87 billion. This was a significant milestone for JAKS as it is the Group's first foray into the power generation sector, as well as its maiden footprint internationally. Leveraging on the experience and capabilities gained in the construction business, the first unit of the Hai Duong BOT thermal power plant was successfully completed in November 2020, while the second unit was completed in January 2021. In tandem with this significant milestone, on the local front, JAKS was one of the companies that was successfully shortlisted in the bid for the fourth cycle of the Large Scale Solar ("LSS4") programme under Package 2 for 50-megawatt. This will be the stepping-stone for the Group to grow its business and invest in the renewable energy segment.

The Group also ventured into property development of mixed residential and commercial development projects at Ara Damansara and Section 13 in Petaling Jaya, Selangor in 2013.

Today, JAKS has monetised its non-core assets whilst streamlining its core businesses to 2 key sectors in Construction sector (both locally and overseas) and Power and Renewable Energy Sector. Concurrently, the strategic move to invest internationally is to provide diversification in event of any adverse effects of the cyclical local business activities, especially the construction sector.

OUR VISION

To be an innovative regional leader in the utilities, construction and infrastructure engineering industry.

OUR MISSION

We will strive for excellence in providing highly reliable and cost-efficient service to our customers, without compromising in quality and safety

We will deliver our promises in building value for our organisation in order to contribute sustainable financial achievement and achieve optimum growth

We will take the lead to adopt continuous innovation and best practices to gain market competitiveness

We will provide a nurturing environment for our employees by striking a balance between rewarding performance and allowing for personal enrichment

CORPORATE INFORMATION

BOARD OF DIRECTORS

TAN SRI DATUK HUSSIN BIN HAJI ISMAIL
(Chairman)
(Independent Non-Executive Director)

ANG LAM POAH
(Chief Executive Officer)

DATO' RAZALI MERICAN BIN NAINA MERICAN
(Executive Director)

ANG LAM AIK
(Executive Director)

DATO' AZMAN BIN MAHMOOD
(Independent Non-Executive Director)

LIEW JEE MIN @ CHONG JEE MIN
(Independent Non-Executive Director)

TAN SRI DATO' HJ. ABD. KARIM B. SHAIKH MUNISAR
(Independent Non-Executive Director)

KHOR HUN NEE
(Independent Non-Executive Director)

SECRETARY

Leong Oi Wah
(MAICSA 7023802)
SSM Practicing Certificate No. 201908000717

REGISTERED OFFICE

802, 8th Floor
Block C, Kelana Square
17, Jalan SS7/26
47301 Petaling Jaya
Selangor Darul Ehsan
Tel No : 603-7803 1126
Fax No : 603-7806 1387
Email : info@jaks.com.my

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan
Tel No : 603 -2783 9299
Fax No : 603 -2783 9222
Email : is.enquiry@my.tricorglobal.com

AUDITORS

UHY
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

PRINCIPAL PLACE OF BUSINESS

Unit B-09-28, Tower B
Pacific Towers
Jalan 13/6, Section 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel No : 603-7660 3333
Fax No : 603-7660 8993
Website : www.jaks.com.my

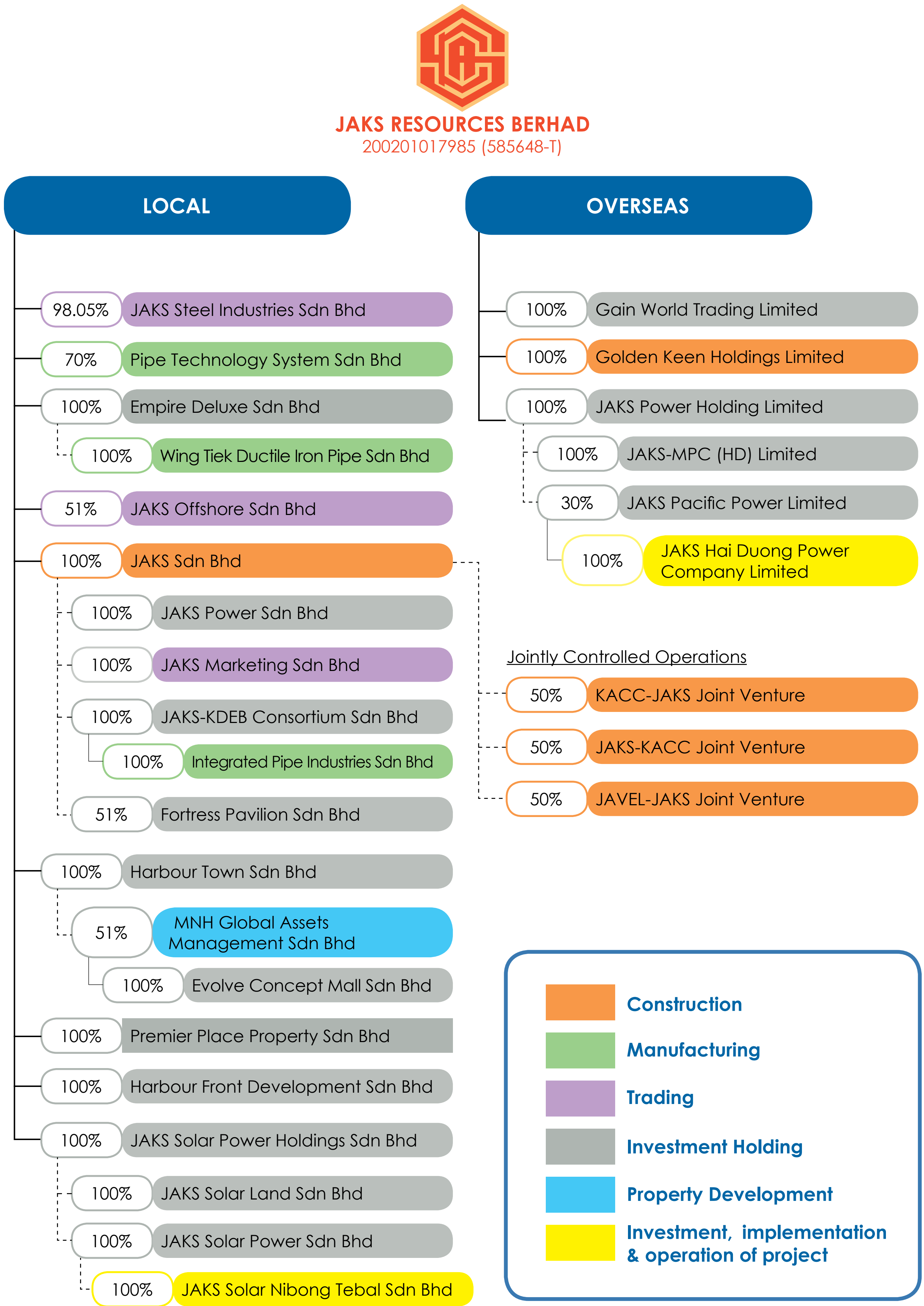
PRINCIPAL BANKERS/FINANCIERS

United Overseas Bank (Malaysia) Berhad
Malayan Banking Berhad
Great Eastern Life Assurance (Malaysia) Berhad
AmBank (M) Berhad
Al Rajhi Banking & Investment Corporartion (M) Bhd
Hong Leong Bank Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad (Main Market)
Stock Name: JAKS
Stock Code: 4723

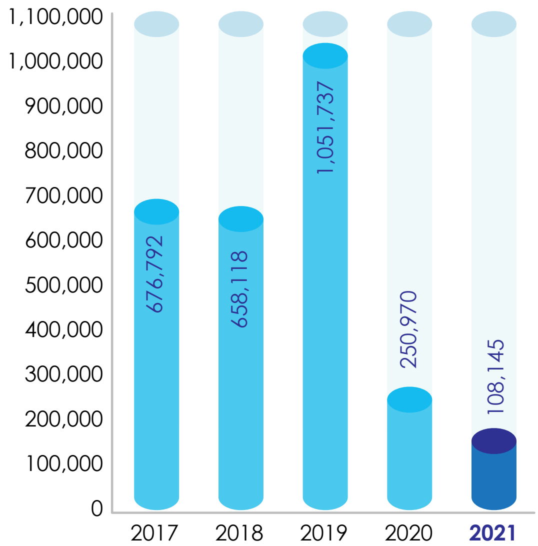
CORPORATE STRUCTURE



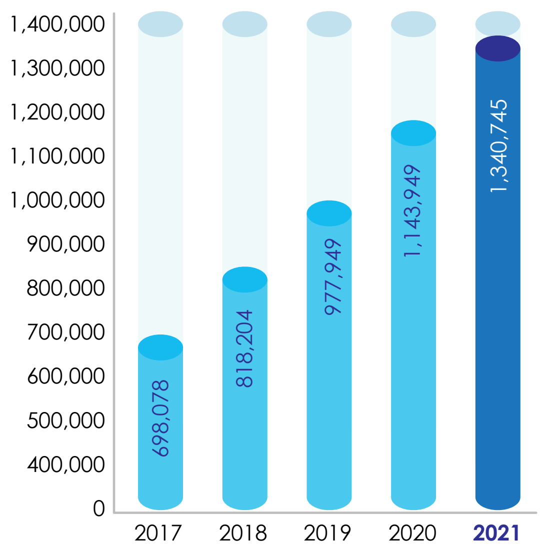
5 YEARS FINANCIAL HIGHLIGHTS

	<< -------------- Financial Year Ended ---------------->>				
Group Five Years Summary	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000
Revenue	676,792	658,118	1,051,737	250,970	108,145
Profit / (Loss) before tax	112,211	(43,203)	52,630	(110,306)	30,294
Profit / (Loss) attributable to owners of the Company	126,640	15,351	108,050	(84,561)	51,759
Share Capital	524,387	598,975	659,642	924,998	1,061,612
Shareholders' funds	698,078	818,204	977,949	1,143,949	1,340,745
Number of Shares (units)	492,747	545,943	643,118	1,755,167	2,042,318
Net assets per share (RM)	1.42	1.50	1.52	0.65	0.66

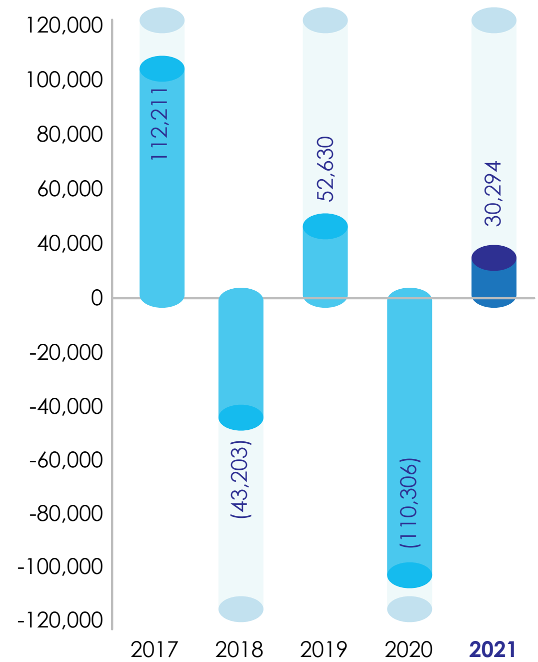
Revenue (RM'000)



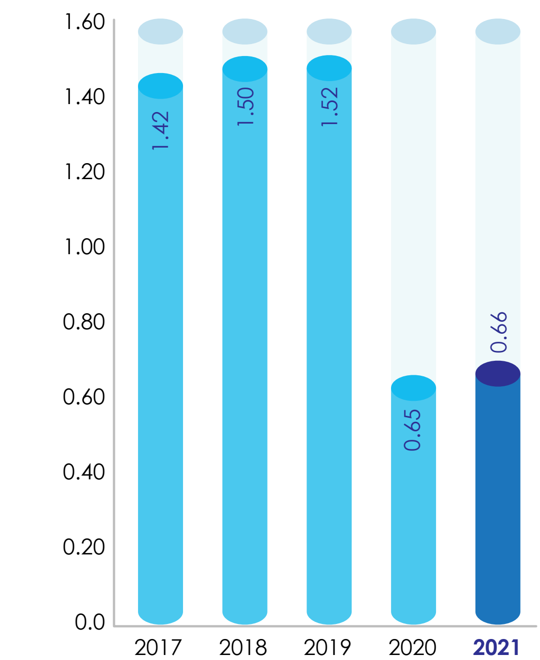
Shareholders' funds (RM'000)



Profit / (Loss) before tax (RM'000)



Net assets per share (RM)



BOARD OF DIRECTORS

TAN SRI DATUK HUSSIN BIN HAJI ISMAIL

A Malaysian, aged 69, was appointed to the Board on 28 June 2011 as an Independent Non-Executive Director of the Company and on 28 September 2012, he was appointed as Chairman of the Company.

Tan Sri Hussin holds a Diploma in Police Science from Universiti Kebangsaan Malaysia and a Master's Degree of Occupational Safety and Health Risk Management from Open University Malaysia, and is a former Deputy Inspector General of Police in Royal Malaysian Police ("RMP"). His excellent achievements are attributed to 39 years of working experience in various senior positions in RMP. The exposure of managing at various levels in RMP are added values to extensive policing knowledge and skills which have further enhanced personal capabilities and credibility in managing the Force in the higher position. Currently, Tan Sri Hussin is the Deputy Chairman of Yayasan Pengaman Malaysia.

Tan Sri Hussin also sits on the board of EP Manufacturing Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad and Ecomate Holdings Berhad.

Tan Sri Hussin does not have any family relationship with any other Director and/or major shareholder of the Company and has no other conflict of interest with the Company. He has no convictions for offence within the past five years.

ANG LAM POAH

A Malaysian, aged 54, was appointed to the Board on 23 December 2003. He is the Chief Executive Officer ("CEO") of the Company and a member of the Sustainability Committee.

He holds a Diploma in Business Administration from Toronto School of Business. Upon obtaining his diploma in 1990, he started his career with JAKS.

As the CEO of the Group, Mr Ang is instrumental in providing the leadership, business strategy and direction for the Group. He brings valuable entrepreneurship experience and business acumen to the Group.

He has been actively involved in the day-to-day operations and management of the Group's business activities that encompass the water and infrastructure construction projects and power plant and renewable energy projects. He also has experience in property development and the setting up of manufacturing plant for mild steel pipes and common clay bricks. He also holds directorships in several other private limited companies.

Ang Lam Poah is the brother to the Director, Ang Lam Aik. Save as disclosed, he does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.

Board of Directors
(cont'd)

DATO' RAZALI MERICAN BIN NAINA MERICAN

A Malaysian, aged 51, was appointed to the Board on 23 December 2003. He is an Executive Director of the Company and a member of the Sustainability Committee.

He has been actively involved in various businesses after the completion of his University Degree in 1995. Since then, he has acquired extensive experience and expertise especially in water, property construction and steel manufacturing industries.

Dato' Razali does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.

ANG LAM AIK

A Malaysian, aged 48, was appointed to the Board on 23 December 2003. He is an Executive Director of the Company.

He holds a Diploma in Computer Science from Canada and has been involved in project management and construction related fields since 1995.

Ang Lam Aik is the brother to the Director/Chief Executive Officer, Ang Lam Poah. Save as disclosed, he does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.

DATO' AZMAN BIN MAHMOOD

A Malaysian, aged 71, was appointed to the Board as Director on 23 December 2003. He is an Independent Non-Executive Director of the Company and the Chairman of the Audit Committee. He is also a member of Remuneration Committee.

Dato' Azman is a member of the Institute of Chartered Accountants in England and Wales. He has vast experience working in a number of auditing firms in London, United Kingdom and Johor Bahru, Malaysia.

He joined Kumpulan Perangsang Selangor Berhad in 1983 and left in 1990 to become the Managing Director of Worldwide Holdings Berhad, a public listed company in Bursa Malaysia Securities Berhad until 1996.

Presently, Dato' Azman is the Executive Chairman of Fine Access Sdn Bhd, a company involved in property development and property investments. He is also Chairman of Crystalville Sdn Bhd, a company involved in property development in Kuala Lumpur and Klang Valley, and the Chairman of Cocoaland Holdings Berhad, a food confectionary manufacturer listed on the Main Market of Bursa Malaysia Securities Berhad.

Dato' Azman does not have any family relationship with any other Director and/or major shareholder and has no conflict of interest with the Company. He has no convictions for offence within the past five years.

Board of Directors
(cont'd)

LIEW JEE MIN @ CHONG JEE MIN

A Malaysian, male, aged 63, was appointed to the Board on 23 December 2003. He is the Chairman of the Remuneration Committee, and a member of the Audit Committee, Nomination Committee and Risk Management Committee.

Mr Chong graduated from the University of Leeds, England in 1984 with an Honours degree in Law. He obtained his Certificate of Legal Practice, Malaya in 1985 and was admitted as an advocate and solicitor to the High Court of Malaya in 1986. He established the firm Messrs J.M. Chong, Vincent Chee & Co. Advocates & Solicitors in December 1986 and has been practising since, concentrating on banking, corporate, commercial and real estate matters. He is the managing partner of the firm.

Mr Chong is the Vice President of the Klang Chinese Chamber of Commerce and Industry ("KCCCI"); the Chairman of the Legal Affairs Committee of the KCCCI and The Associated Chinese Chamber of Commerce & Industry of Coastal Selangor; a council member of The Chinese Chamber of Commerce and Industry of Kuala Lumpur and Selangor, and also the Chairman of its Legal Affairs Committee; and a member of the Legal Affairs Committee of The Associated Chinese Chambers of Commerce and Industry of Malaysia. He is a legal advisor of Malaysia Used Vehicle Autoparts Traders Association, Kuala Lumpur & Selangor Furniture Association and Sekolah Menengah Chung Hua ("PSDN") Klang.

Mr Chong is also the Chairman of YKGI Holdings Berhad, and a Director of Parkson Holdings Berhad, Hextar Global Berhad and Rubberex Corporation (M) Berhad, all public listed companies.

Mr Chong does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.

Board of Directors
(cont'd)

TAN SRI DATO' HJ. ABD KARIM BIN SHAIKH MUNISAR

A Malaysian, aged 71, was appointed to the Board on 17 April 2019. He is also the Chairman of the Nomination Committee and Risk Management Committee, and a member of the Audit Committee and Remuneration Committee of the Company.

He holds a Master in Business Administration (Business Finance) from University of Edinburgh, Advanced Diploma in Economic Development (with Distinction) from University of Manchester, United Kingdom and Bachelor of Economics (Hons) from University of Malaya. He also attended an Advance Course in Urban Planning JICA in Tokyo, Japan.

In 1974, Tan Sri Dato' HJ. Abd Karim was the Assistant Director at the Ministry of Finance, Malaysia. Between 1975 to 1980, he held different position in various districts in the state of Perak as Assistant District Officer, Kinta; Chairman of Kinta District Council; Assistant District Officer 1, Kampar; Chairman of Kampar/Gopeng Municipal Council and also Assistant State Secretary of Perak ("UPEN").

He was the Chief Assistant District Officer 1 (Land) of Kuantan District Office and Chief Assistant State Secretary of Pahang (Housing Division) in 1980; Deputy Director of Klang Valley Planning Secretariat, Prime Minister Department in 1982; Chief Assistant State Secretary of Selangor (Local Authority Division) in 1987.

He also served as the President of Ampang Jaya Municipal Council from 1992 to 1996. He had an outstanding career in the government sector and was the President of Petaling Jaya Municipal Council in 2003 and 2004. Prior to that, he was the District Officer cum President of Sepang District Council from 1998 to 2003. In 2005, he opted to join the corporate sector and was appointed as President of Kumpulan Darul Ehsan Berhad. Tan Sri Dato' Hj. Abd Karim was previously the Executive Chairman of various companies listed in Bursa Malaysia such as Kumpulan Perangsang Selangor Berhad, Kumpulan Hartanah Selangor Berhad and Chairman of Taliworks Corporation Berhad from 2004 to 2011.

He was also Chairman of various other companies namely Konsortium Abass Sdn Bhd, Titisan Modal Sdn Bhd, Central Spectrum Sdn Bhd, Cekal Tulin Development Sdn Bhd, JAKS-KDEB Consortium Sdn Bhd, Hydrovest Sdn Bhd and Perangsang Hotel & Properties Sdn Bhd. In addition, Tan Sri Dato' Hj. Abd Karim was also a member of the Board of Directors for Syarikat Bekalan Air Selangor Sdn Bhd ("Syabas"), Syarikat Pengeluaran Air Selangor Holdings Berhad ("Splash"), Cyberview Sdn Bhd and Alam Flora Sdn Bhd.

He currently sits on the Board of MCT Berhad, Lion Posim Industries Berhad and Kingsley Edugroup Berhad.

He does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.

Board of Directors
(cont'd)

KHOR HUN NEE

A Malaysian, aged 44, was appointed to the Board on 2 December 2019 as an Independent Non-Executive Director of the Company. She is the Chairman of the Sustainability Committee and a member of the Audit Committee, Risk Management Committee and Nomination Committee.

Ms Khor Hun Nee has her professional qualifications from the Malaysian Institute of Accountants and the Association of Chartered Certified Accountants. She is also holding the Capital Markets Services Representative's License issued by the Securities Commission Malaysia.

Ms Khor Hun Nee started her career in 2000 in the audit field for about four years. She then moved to various senior finance positions in Intel Technology Sdn Bhd, Computer Systems Adviser and Airbus Helicopters Malaysia Sdn Bhd. She has more than 17 years of experience in finance management, financial reporting, corporate finance, auditing and taxation. She is currently self-employed as a licensed financial planner.

She also sits on the board of SnowFit Group Berhad.

Ms Khor Hun Nee does not have any family relationship with any other Director and/or major shareholder of the Company and has no other conflict of interest with the Company. She has no convictions for offence within the past five years.

Notes:

- *The Executive Directors form the Senior Management and their profile are not presented separately*

CHAIRMAN'S STATEMENT

On behalf of the Board, it is my privilege to present to you JAKS Resources Berhad's ("JAKS") Annual Report and Audited Financial Statements of the Group and Company for the financial year ended 31 December 2021 ("FYE2021").

IMPROVEMENT IN RESULTS

I am happy to report that for FYE2021, the Group saw an improvement in results after the unprecedented year 2020 where JAKS Group as well as many other companies in Malaysia and globally faced negative impact of the COVID-19 lockdowns. The Group returned to profitable position as it closed the year 2021 with a profit before tax of RM30.3 million, an increase of RM140.6 million from the loss position in the previous year of RM110.3 million, despite the lower revenue achieved of RM108.1 million in FYE2021, a 57% lower than the revenue recorded in FYE2020 of RM251.0 million. The turnaround to profitability was mainly from the share of profit in the Vietnam joint venture which amounted to RM140.7 million in FYE2021 as compared to RM3.8 million in the previous year, coupled with lower Operating & Administration expenses of RM90.7 million and offset by the one-off gain on disposal of RM89.1 million recognised in the previous year.

With the better results recorded, the Group's basic earnings per share improved from (10.79) sen in FYE2020 to 2.73 sen for the year under review. Net assets per share improved by 1 sen from RM0.65 as at 31 December 2020 to RM0.66 as at 31 December 2021 due to the profits achieved in the year and taking into effect, the enlarged share capital base arising from the private placement issue of 272,667,000 Ordinary Shares of the Company during 2021. The Company raised a total proceeds of approximately RM129.52 million from the private placement exercise.

Full details and further analysis of our financial performance are available in the Management Discussion and Analysis segment of this Annual Report.

DIVIDEND

The Board views that priority should be given to conserve cash for meeting the working capital requirements of the Group and investment in the new solar energy power projects. The Board is confident that the continuous reinvestment into the core business of the Group which will lead to a long-term sustainability and future growth of the Group and has consensusly decided not to recommend any dividend for FYE2021.

BETTER PREPARED FOR CHALLENGES

Whilst Bank Negara Malaysia has recently reiterated that the Malaysian economy will expand between 5.5% and 6.5% in 2022, underpinned by continued expansion in global demand and higher private-sector expenditure, it also highlighted a weaker-than-expected global growth, worsening supply chain disruptions, and the emergence of severe and vaccine-resistant COVID-19 variants that are of concern and remains as risks to the outlook for 2022. Core inflation is expected to be modest with upward pressure contained by continued slack in the Malaysian economy and labour market.

The challenge for the Group will be the inflationary pressures. The Group has been focussed on bidding and/or negotiating for new construction projects, targeting those with relatively high margin to replenish its order book. Although there could be a lack in new infrastructure projects to pump-prime the construction industry in the recent Budget 2022, the Group is optimistic that it can give competitive value to secure new projects.

With a glut in retail space in the Klang Valley, where the Group's Evolve Concept Mall and Pacific Towers Business Hub are located, the outlook of the Group's investment properties will remain sluggish. Nevertheless, the Group is re-strategising its plan in order to capitalise on the right market and consumer groups and putting an effective mall management strategy in place to enhance the investment properties contribution to the Group.

Chairman's Statement
(cont'd)

On a brighter side, with the 1,200 megawatt coal-fired thermal power plant in Hai Duong province, Vietnam; already operational and generating recurrent concession earnings from the power generation, the share of profit from the Vietnam joint venture will cover the construction profits of the EPC construction works which is nearing the tail end. For financial year 2022, the earnings from the Vietnam power generation is expected to be the main contributor to the profits of the Group. The other power generation project is the local solar photovoltaic energy generating facility with a capacity of 50MW in Seberang Perai Selatan ("Solar Farm"). The Group had on 19 August 2021 entered into a power purchase agreement with Tenaga Nasional Berhad to own, operate and maintain this Solar Farm which is currently under construction. The Solar Farm is expected to commence its commercial operations next year and will contribute positively to the future earnings of the Group.

Barring any unforeseen circumstances, the Board views that the mixed portfolio of business has better prepared the Group for future challenges.

ACKNOWLEDGEMENT

On behalf of the Board, I wish to express my utmost gratitude to our shareholders for the steadfast trust and confidence in JAKS. I also wish to convey my deep appreciation to our employees, as well as the management team and the Boards of all the companies under our Group, for their worthy sacrifices, hard work and loyalty. My sincere thanks to the many external partners that worked with or alongside us. Our heartfelt appreciation also to our valued customers and clients, business associates, bankers, government departments and agencies, vendors, suppliers and all others who have lent us their unwavering confidence, support and cooperation.

I would also like to take this opportunity to thank my fellow Board members for their guidance and counsel. I am grateful that JAKS has a formidable Board with the vision, expertise and experience to provide sound counsel and corporate strategies to propel our Group to greater heights.

Tan Sri Datuk Hussin Bin Haji Ismail
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Forward-Looking Statement

This Management Discussion and Analysis ("MD&A") contains forward-looking statements with respect to expected financial performance, strategy and business conditions. The words "believe", "estimate", "plan", "expect", "intend", "will" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements reflect management's current beliefs with respect to future events and are based on information currently available to the management. Forward-looking statements involve significant known and unknown risks and uncertainties. Many factors could cause actual results, performances or achievements to be materially different from any future forward-looking statements. The Company and management assume no obligation to update or revise them to reflect new events or circumstances except as required by securities laws. The Company and management caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made.

Introduction

This MD&A is dated 27 April 2022, was approved by the Board of Directors of JAKS Resources Berhad ("JAKS" or "Company") and reflects all material events for the financial year 2021. It should be read in conjunction with the Audited Financial Statements of the Group and the Company, including the notes thereof, for the financial year ended 31 December 2021 ("FYE2021").

Group Financial Review

The Group projected a recovery path for 2021 after it was battered by headwinds brought about by the COVID-19 pandemic in 2020. This was in line with the expected recoveries in the economies in Malaysia and Vietnam, where the Group predominantly operates its business. The Malaysian economy in 2021 improved with a 3.1% increase compared to a contraction of 5.6% in 2020. Vietnam was one of only a few countries to post Gross Domestic Product ("GDP") growth in 2020 when the pandemic hit and their GDP growth slowed down to 2.58% in 2021 due to the emergence of the Delta variant. The Group's business operations in Malaysia was substantially affected by the month long nationwide Full Movement Control Order ("FMCO") lockdown in June 2021 followed by the partial lockdown during the recovery phases that lasted till October 2021. Supply chains in several markets were affected by this lockdown and it led to higher cost of building materials and other operational costs. However, our regional footprint and sectoral diversification, which broaden the Group's earnings base assisted to overcome the challenges.

For FYE2021, the Group achieved profit before tax of RM30.3 million, an increase of RM140.6 million from the loss position in the previous year of RM110.3 million. The improvement was attributed by the share of profit from the Vietnam joint venture of RM140.7 million in FYE2021 as compared to RM3.8 million in the previous year coupled with lower Operating & Administration expenses of RM90.7 million, offset by the one-off gain on disposal of RM89.1 million recognised in the previous year.

The Group achieved lower revenue of RM108.1 million in FYE2021, a drop of 57% from the revenue recorded in FYE 2020 of RM251.0 million. The decrease was mainly due to the lower revenue recognised from the Construction division. Revenue from the domestic construction works reduced to RM54.5 million in FYE2021 as compared to RM114.6 million in the previous year due to lockdown and works delay. The Vietnam EPC construction works nearing the tail end contributed a lower revenue of RM46.4 million in FYE2021 as compared to RM159.1 million in the previous year.

Management Discussion And Analysis
(cont'd)

Assets and Liabilities

The Group's total asset in FYE2021 increased by 2.7% to RM2,185.2 million as compared to RM2,128.5 million in FYE2020. The increase in total assets was mainly due to the increase in Investment in joint ventures as a result of the share of profit of RM140.7 million and increase in property, plant and equipment of RM1.4 million. However the increase in total asset would have been higher if not for the following:

(i) the decrease in investment properties of RM17.0 million following the current year's depreciation charge of RM13.7 million and RM6.0 million impairment loss;

(ii) the decrease in goodwill on consolidation as an impairment of RM23.6 million was necessitated; and

(iii) the decrease in cash and bank balances.

For the FYE2021, the total liabilities dropped by RM117.2 million from RM1,001.0 million in FYE2020 to RM883.8 million in FYE2021. The decrease was mainly due to lower trade and other payables and bank borrowings of RM99.1 million and RM15.1 million respectively.

Total equity for FYE2021 was higher by RM173.9 million with the profit achieved during the year and the private placement that was implemented increased the share capital by RM136.6 million.

The Group net assets per share was RM0.66 as at 31 December 2021, higher than 31 December 2020 due to the profits achieved and the increase in the number of shares following the private placement exercise during the year. The Group's gearing reduced to 0.28 times as at 31 December 2021 due to the higher shareholders' funds with the increase in share capital from the private placement exercise and lower borrowings recorded, compared to 0.34 times as at 31 December 2020.

Sustainability

The Group remains steadfast in its commitment to sustainability which are the fundamental to how we maintain a healthy momentum of the company's effort to accord value for our stakeholders. In line with global shifts in how Environmental, Social and Governance ("ESG") issues are discussed and in order to further strengthen our commitment, the Group has put in place a new cohesive and holistic sustainability programme. Created after a year-long engagement process with our people, our principals, our partners, our associates and our customers, the new programme will embed sustainability into our operations by tying business strategy and decision making to sustainability, including linking value creation to sustainability goals. The programme is also aligned with the Group's commitment towards the United Nations' Sustainable Development Goals. Please refer to the Sustainability report included in this Annual Report on the specific sustainability targets that we have embraced to measure progress.

Corporate Exercise in FYE2021

The Company undertook a fund raising exercise during the year of a Private Placement of up to 20% of the total number of issued shares of the Company. The issue price was fixed at RM0.4750 per Placement Share ("First Tranche") for the Private Placement of 272,667,000 Placement Shares, representing approximately 15.41% of the existing issued share capital. On 1 July 2021, the First Tranche was completed with the listing and quotation of 272,667,000 Ordinary Shares on the Official List of Bursa Securities, raising a total proceeds of approximately RM129.52 million. Subsequently, on 31 December 2021, the Private Placement was completed without further issuance. About RM50.0 million of the proceeds was earmarked and has been used for the construction of the Solar Power Plant in Seberang Prai, Penang.

Management Discussion And Analysis
(cont'd)

Liquidity and Capital Resources

At the end of FYE2021, the Group's current ratio, a yardstick that measures the state of the Group's financial liquidity, stood at 1.22 times (FYE2020: 1.24 times). A current ratio of more than 1 indicates the Group's ability to meet its short-term obligations. The table below highlights the major cash flow components for FYE2021 and FYE2020.

	FYE2021 RM'000	FYE2020 RM'000	Change RM'000
Cash flows (used in) / from operating activities	(31,394)	20,943	(52,337)
Cash flows (used in) / from investing activities	(106,208)	(172,725)	66,517
Cash flows from / (used in) financing activities	100,252	187,297	(87,045)
(Decrease) / Increase in cash and cash equivalents	(37,350)	35,515	(72,865)

The lower cash flows from operating activities in FYE2021 was due to lower revenue recorded by the Group.

The lower cash used in investing activities was mainly due to lower additional shares investment in joint venture in FYE2021 amounting to RM92.4 million (FYE2020 : RM120.4 million)

The Group's lower net cashflow from financing activities was due mainly to the lower proceeds from the issuance of new ordinary shares in JAKS pursuant to the Private Placement undertaken during FYE2021 of RM129.5 million compared with the previous year where the rights issue raised proceeds of RM254.3 million. The proceeds raised in 2021 was partially utilised for the Solar Power Plant and to repay existing bank borrowings.

Borrowings

The Group's total borrowings reduced to RM372.0 million as at 31 December 2021, a RM15.1 million lower than as at 31 December 2020 of RM387.1 million. Consequently, the net gearing ratio improved from 0.34 times to 0.28 times. Refinancing and restructuring efforts took place in view of the lower cost of fund during the outbreak period.

Review of Operating Activities - Power Division

Despite the disruption of the COVID-19 pandemic, the construction of the two units of 600-megawatt thermal power plant in Hai Duong province, Vietnam, progressed as scheduled and the overall construction works was completed in early 2021. The first unit of the build-operate-transfer ("BOT") thermal power plant in Hai Duong province commenced its operations in November 2020, followed by the second unit in January 2021.

The power plant project cost USD1.87 billion and JAKS holds 30% equity interest in the joint venture company with China Power Engineering Consulting Group Company Limited. The estimated annual output of the Power Plant is 7.5 billion kilowatt-hours, with an installed capacity of 1,200 megawatt. Under the power purchase agreement, the joint-venture company, namely JAKS Hai Duong Power Company Limited, will be guaranteed with fixed capacity payments by the Vietnamese government and will be backed by energy payment to cover variable costs, including fuel and variable operating costs, and therefore contributing to a sustainable income contribution during the 25-years tenure.

As at FYE2021, a total revenue of RM1,749.1 million was recognised from the Vietnam EPC Contract 2 since 2016, contributing RM409.2 million net profit to the Group since then. The works recognised in year 2021 contributed to RM46.4 million of revenue and RM11.0 million of net profit.

Taking the experiences learnt in the building and management of the power plant in Vietnam, the Group had:

(i) on 15 March 2021 was shortlisted for the 50MW solar power project in Seberang Prai, Penang for the fourth cycle of the Large Scale Solar programme ("LSS4") in the Malaysia Energy Commission's national procurement program. The Group had on 19 August 2021 entered into a power purchase agreement with Tenaga Nasional Berhad ("TNB") to develop, own and operate this Solar Farm. TNB will purchase the net electrical output generated for a period of 21 years from the commercial operation date of the Solar Farm. The Solar Farm is expected to commence commercial operations next year and will contribute positively to the future earnings of the Group.

(ii) on 8 July 2021, entered into a memorandum of understanding ("MOU") with Qhazanah Sabah Sdn Bhd (an investment arm of the State Government of Sabah) to establish a formal collaboration and cooperation related to the preparation, development and implementation of solar power and hydro power plants in the state of Sabah.
(iii) on 11 September 2021, entered into a MOU with T&T Group Joint Stock Company ("T&T Group") to explore the possibilities for cooperation with respect to potential LNG-to-power projects. T&T Group is a Vietnamese investor and project developer in the energy sector in Vietnam, including LNG-to-power projects. Recognising the increasing demand for electricity in Vietnam, the increasing gas demand for gas-fired generation in Vietnam and the required importation of LNG to meet this demand, both parties wish to explore the possibilities for cooperation in the development of Quang Ninh 2 (1500MW) LNG-to-power project in Quang Ninh province, Vietnam.

Power Division – Trend and Outlook

The Vietnam Government has stated that the country's demand for electricity is forecasted to annually rise by 8.6% during the 2021-2025 period, and 7.2% in the 2026-2030 period to cater to the growing economic demand. This gives certainty that the Company's investment in Vietnam will continue to bring recurrent concession-type earnings from the generation and sale of power for the concession period of 25 years.

With the increasing global importance placed on environmental, social and governance ("ESG") impacts and the Vietnam power plant being coal-fired, the Group has redirected its focus to the cleaner generating renewable energy, particularly solar power. The International Renewable Energy Agency ("IRENA") 2021 Report stated that cumulative investment in renewable energy industry between 2013-2018 reached USD1.8 trillion or on average about USD300 billion annually. This figure could reach USD800 billion annually by 2050. The Renewable Energy sector is expected to witness a significant growth in the power generation sector in Malaysia due to the increasing government's support.

Review of Operating Activities - Construction Division

As the key contributor to the Group, the construction division registered revenue of RM101.0 million, a decrease of 63% as compared to RM273.6 million in FYE2020. JAKS's wholly-owned subsidiaries, JAKS Sdn Bhd, which predominantly carried out local construction projects contributed RM54.6 million in revenue whilst Golden Keen Holdings Limited, which largely managed the EPC Contract 2 in Vietnam, contributed substantially lower revenue of RM46.4 million in FYE2021 compared to revenue of RM159.1 million in the previous year.

The lower revenue was mainly due to reduced contributions from both the local projects and Vietnam EPC Contract 2 with substantially lower progress billings since the project is almost at the tail end. In general, revenue contribution from this business segment was adversely affected as the stoppage and subsequent slow resumption of work due to COVID-19 outbreak and the new safety compliance requirements caused delay to project schedules. Workers productivity had also hampered the project delivery as those tested positive for COVID-19 had to be quarantined for a required period of time. The local construction works were adversely affected by the COVID-19 pandemic and various MCO measures resulting in work interruptions, delays in work progress, additional MCO related costs, supply chain disruption as well as shortage of labour and materials.

The construction division provides construction management, with a large portion of the work in FYE2021 focused on infrastructure construction, construction of sewerage treatment plant as well as, power and water related facilities. The current on-going construction projects in Malaysia are:

(i) Four (4) wastewater and water-related facilities projects with a total contract sum of RM684.5 million;
(ii) One (1) building construction project with a contract sum of RM87.9 million; and
(iii) One (1) property construction project with a contract sum of RM440.8 million.

Whilst the construction division booked in RM11.0 million profit before tax from the Vietnam EPC Contract 2, the losses from local projects recorded an overall net loss before tax of RM28.8 million. The local construction projects, faced margins compression as well as escalating overheads and project costs. The FMCO in June 2021 and recovery phases that followed placed the local construction activities on standstill. Disruption in supply chains of building materials, equipment and the quarantine and movement restrictions of workers gave rise to manpower shortages. Domestic construction demand was generally low, particularly for the third and fourth quarters of FYE2021.

Management Discussion And Analysis
(cont'd)

Construction Division – Trend and Outlook

The Malaysian construction industry is expected to expand by 16.5% in 2022, supported by further improving economic conditions, the Government's focus on completing large infrastructure projects, and increased investment on industrial and energy projects. In September 2021, the government announced its plan to establish the Public Private Partnership ("PPP") 3.0 model, a specialized mechanism to fund infrastructure projects in the 12th Malaysia ("12MP") plan between 2021 and 2025, Towards the end of 2021, the Malaysian parliament passed the government's budget for 2022, approving an expenditure of RM332.1 billion (USD81.8 billion). The budget includes an allocation of RM75.6 billion (USD18.6 billion) for development expenditure, as well as a number of incentives to improve employment rates and support businesses.

With the Government prioritising development expenditure on high impact projects, the Group would have the opportunity to bid and/or negotiate for new construction projects by selectively targeting relatively higher margin projects to replenish its order book for the local construction division, and this should contribute positively to the Group in the future.

Review of Operating Activities - Property Development & Investment Division

The Property Development & Investment division contributed revenue of RM7.1 million in FYE2021 as compared to RM17.2 million (before the provision for RM29.5 million Liquidated Ascertained Damages ("LAD")) in the previous year. With the financing cost of RM19.4 million, this division incurred a lower loss before tax of RM42.4 million in FYE2021 compared to a loss before tax of RM83.3 million in FYE2020.

The Group's investment properties consist of:

(i) Pacific Towers Business Hub is a 4-storey retail and office lots building located in Section 13, Petaling Jaya, Selangor, with a total net lettable area ("NLA") of approximately 295,000 square feet.
(ii) Evolve Concept Mall, a 4-storey shopping mall with a total NLA of approximately 368,000 square feet.

Property Development & Investment Division – Trend and Outlook

The outlook for the Group's investment properties remains sluggish. With a glut in retail space in the Klang Valley, where the Evolve Concept Mall and Pacific Towers Business Hub are located, the Group is faced with competition to secure tenants to fill the lettable space. Nevertheless, the Group is re-strategising its plan in order to capitalise on the right market and consumer groups and putting effective mall management in place to improve the business of the investment properties of the Group.

Review of Operating Activities – Investment Holding & Others Division

The revenue derived from the investment holding & others division relates mainly to management fees charged by JAKS to the subsidiary companies amounting to RM7.8 million and the dividend income from Golden Keen Holdings Limited of RM186.5 million in FYE2021. With higher revenue, this division achieved a profit before tax of RM36.0 million in FYE2021 and these amounts are eliminated on consolidation at the Group level.

Future Growth

The Group will continue to focus its core strategies in growing and diversifying in Power division particularly in the Renewable Energy Space. Simultaneously, the Group with its track record in infrastructure construction projects, will explore and secure new infrastructure projects to replenish its order book with emphasis on power infrastructure projects. Apart from Malaysia, the Group is also targeting the Vietnam, which has huge potential for its infrastructure expansion plans.

Risk Management

BNM announced that Malaysia's economic recovery in 2022 was expected to continue in line with improved global and domestic demand. The downside relates to concerns over "severe and vaccine-resistant COVID-19 variants" that could trigger new containment curbs "globally and domestically," as Malaysia has seen a resurgence in COVID-19 cases in recent month, mostly from the highly transmissible Omicron variant of the coronavirus. These uncertainties and its impact has put the Group into preparatory mode to face the challenges and the Group is optimistic that this crisis will be mitigated over time as vaccines are rolling out as well as various financial aid stimulus offered by the Malaysian Government. In the continuous commitment to optimise shareholders' value, the Enterprise Risk Management ("ERM") Framework adopts a risk assessment process which is in line with ISO 31000:2009. The Company remains focused on the risk profiles of potential vendors and contractors, monitored via an internal vendor risk rating mechanism. This is to ensure smooth implementation of projects and avoid risks due to any third-party dependence. The Company understands the risk environment encompassing its business which are classified broadly below with the risk description together with information on key mitigation strategies and efforts.

Operational Risks

Risks arising out of inefficiencies, internal failures and/or collusion from regular operations, such as:

(i) Project opportunity risk through erroneous omission and inadequate or inappropriate assessment of a project opportunity available for development;
(ii) Bidding risk on account of inadequate or erroneous assumptions made while arriving at the financial bid variable;
(iii) Financing risk on account of the high capital commitment on the power plant projects;
(iv) Project implementation risk on account of not meeting the project schedule, quality or budget; and
(v) Ownership & maintenance risk on account of several risks faced during the operations and maintenance phase of a project.

Operational Risks – Mitigation Strategies and Efforts

A careful selection and thorough evaluation of prospective projects will minimise the chances of getting into non-profitable projects. The Company undertakes review of project feasibility (technical review) and project financial viability (financial review). Further, the Company follows a risk specific bid/project risk assessment framework to identify key risks associated with various opportunities and projects, along with their mitigation planning and continuous monitoring. The Company has laid down standard operating procedures at the function and department levels to ensure business process productivity, responsibility and accountability at various levels. The standard operating procedures are being further strengthened and supported by adequate checks and balances, including risk-based internal audit, documentation management systems and the introduction of delegation of financial and nonfinancial powers. This will ensure that a culture of proactive risk management is embedded in all levels of the organisation with required support systems in place.

External Risks

Risks arising out of changes in the external environment, such as:

(i) Interest rate risk on account of the capital markets' volatile interest rates on outstanding project debts;
(ii) Competition risk on account of strategies adopted by existing and new entrants in the infrastructure development business; and
(iii) Natural calamities (Act of God), civil disturbance etc.

External Risks – Mitigation Strategies and Efforts

The Company pro-actively identifies each significant 'external change' and prepares to deal with it with forward planning. The Company continues to build strategies not only to sustain but thrives owing to its meticulous processes. The Company understands its competition and keeps an update of its contemporaries to stay a notch above them. The Company has a focused strategy for clients, partners, vendors and contract management to mitigate and avoid (if possible) various possible external risks. Though the Company cannot prevent natural calamities, it is adequately geared up with appropriate insurance covers to minimise losses and restore normalcy within a short time.

SUSTAINABILITY STATEMENT

Reporting Standards

This Sustainability Statement was prepared in accordance with the following regulatory and guidance:

- Practice Note 9 of the Main Market Listing Requirements;
- Sustainability Reporting Guide, 2nd Edition ("SRG") issued by Bursa Malaysia Security Berhad ("Bursa Malaysia");
- Malaysia Code of Corporate Governance, Updated April 2021; and
- Global Reporting Initiative ("GRI"), 2021.

Our Commitment to Business Sustainability

JAKS Resources Berhad ("JAKS" or "the Company") and its subsidiaries ("the Group", "we" or "our") are committed to report its sustainability initiatives in a transparent and purposeful way, consistent with Bursa Malaysia's endeavour towards improving sustainability disclosures. While JAKS has continued to work towards achieving stronger outcomes for its business, this year, we embarked on a new chapter in our sustainability journey and roadmap by setting sustainability targets and strategies to guide us cohesively as a Group integrating environmental and social as well as balancing economic aspiration with genuine care where we operate in.

This is our fifth year of reporting sustainability and this Statement covers the financial year ("FY") ended 31 December 2021 ("FY2021") from 1 January 2021 to 31 December 2021. It also outlines management's approach to prioritising and disclosing information on sustainability programmes throughout the period

Scope of the Statement

This statement covers sustainability matters of our 4 business divisions as illustrated below. The Power Division was included in this FY2021 reporting as it contributed substantial profit mainly from a joint venture company in which the Group has a 30% equity interest.

Construction Division

Property Development & Investment Division

Property Management Division

Power Division

Sustainability Governance

A strong governance structure enables a consistent approach towards sustainability efforts and initiatives as well as gaining the confidence and trust of our shareholders, business partners, employees and stakeholders.

In FY2019, a three-tier sustainability governance structure was formed, comprising the Board of Directors, the Sustainability Committee ("SC"), and the Management team. Their roles and responsibilities are described in more detail below.

Sustainability Governance Structure		
Board of Directors	**Sustainability Committee**	**Management**
• Direct the sustainability efforts to align with the strategic direction of the Group • Validates and approves proposed sustainability initiatives and material sustainability matters related to the Group	• Comprised of Chairman, Chief Executive Officer, and a Director • Oversee the formulation, implementation, and effective management of all sustainability matters across the business in line with the Group's strategies • Monitor the communication strategies and mechanisms established by the Management to effectively promote the sustainability awareness among employees of JAKS and stakeholders. • Monitor and make recommendations to Management in relation to the implementation of sustainability strategies, targets and action plans to achieve the Group's goals while complying with applicable laws and regulations. • Reports sustainability plans and progress to the Board of Directors.	• Represented by various department heads • Execute and implement strategies on the day-to-day basis and report all sustainable activities to the Sustainability Committee • Analyse data available to assess the Group's sustainability progress

Sustainability Policy

A Sustainability Policy encompasses all aspects of ethical business practices, addressing economic, social and environmental sustainability principles as part of ensuring uniform application across the Group.

Sustainability Policy Objectives			
Integrate the principles of sustainability into the Group's strategies, policies and procedures	Develop and promote sustainable practices within the Economic, Environmental and Social framework	Ensure that the Board and the Management are involved in the implementation of this policy and review the sustainability performance	Create a culture of sustainability within the Group, and the community, with an emphasis on integrating the environmental, social and governance considerations into decision making and the delivery of outcomes.

Sustainability Statement
(cont'd)

Rules and Guidelines

- Anti-Bribery & Anti-Corruption Policy
- Code of Conduct
- Health & Safety Manual
- Whistle Blowing Policy
- Employees' Handbook

Stakeholder Engagement

Our stakeholders are individuals and groups who are impacted by our business activities and those with a vested interest in our operations. They are an integral part of our business and understanding their expectation and interests are key towards strengthening the relationship.

At JAKS, we use various communication channels with our stakeholders, which include conventional and electronic documents, web-based media platforms and face-to-face communications to identify and address sustainability concerns regarding our business operations and sustainability performance.

Our methods of communication with each stakeholder group and the frequency of communication are illustrated in the table below:

Key Stakeholders	Methods of Engagement	Frequency
SHAREHOLDERS/ INVESTORS/ BOARD OF DIRECTORS		
We aim to maximise shareholders' returns without compromising transparency and timely communication.	• Annual General Meetings	Annually
	• Bursa Malaysia announcements • Financial performance announcement • Website • Ongoing media release • Investor relation email	On-going
CUSTOMERS		
We value our customers and aim to provide highly reliable and cost-efficient service and products to customers, without compromising on quality and safety.	• Monthly progress meetings and progress reports	Monthly
	• Corporate events • Correspondences • Brochures • Media announcement, social media and advertisement	On-going
FINANCIERS/ BANKS/ANALYSTS		
The Group seeks various funding methods to finance its operation.	• Annual General Meetings	Annually
	• Extraordinary General Meetings • Media and Bursa Malaysia announcements • Corporate interviews and meetings • Banking facility review	On-going
LOCAL AUTHORITIES/REGULATORS/GOVERNMENT MINISTRIES		
We aim to strictly comply with the legislation set out by the government which governs the Group's operation.	• Compliance with rules and regulations • Seminar and training	On-going
	• Submission of reports required under regulations • Periodic visits and inspections	Quarterly and annually

Sustainability Statement
(cont'd)

Key Stakeholders	Methods of Engagement	Frequency
SUB-CONTRACTORS/ SUPPLIERS		
We engage with sub-contractors / suppliers who adhere to environmental protection and social ethics in the execution and completion of construction projects and purchases of construction materials	• Suppliers' audit and reviews	Annually
	• Tenders' exercises and meetings • Emails and phone calls communication • Suppliers' briefings and meetings	On-going
EMPLOYEES		
We prioritise our employee's welfare as their contribution to the Group's objective is highly appreciated. We provide them with a conducive working environment enabling them to prosper with the Group	• Townhall sessions	Monthly
	• Performance management	Annually
	• Emails newsletter • Involvement in community activities • Company annual dinner / festival functions and celebrations • Informal periodic departmental meeting • Training and development	On-going
MEDIA		
We aim to reach out to the general public on new development for public knowledge/ promotion	• Interviews • Advertisements • New project launches	On-going
LOCAL COMMUNITIES/ NON-GOVERNMENTAL ORGANISATIONS ("NGOs")		
As a socially responsible corporate citizen, JAKS aims to support and contribute to community investment, development and impact.	• Donations and Financial Aid • Contributions to social enhancement	Ad-hoc

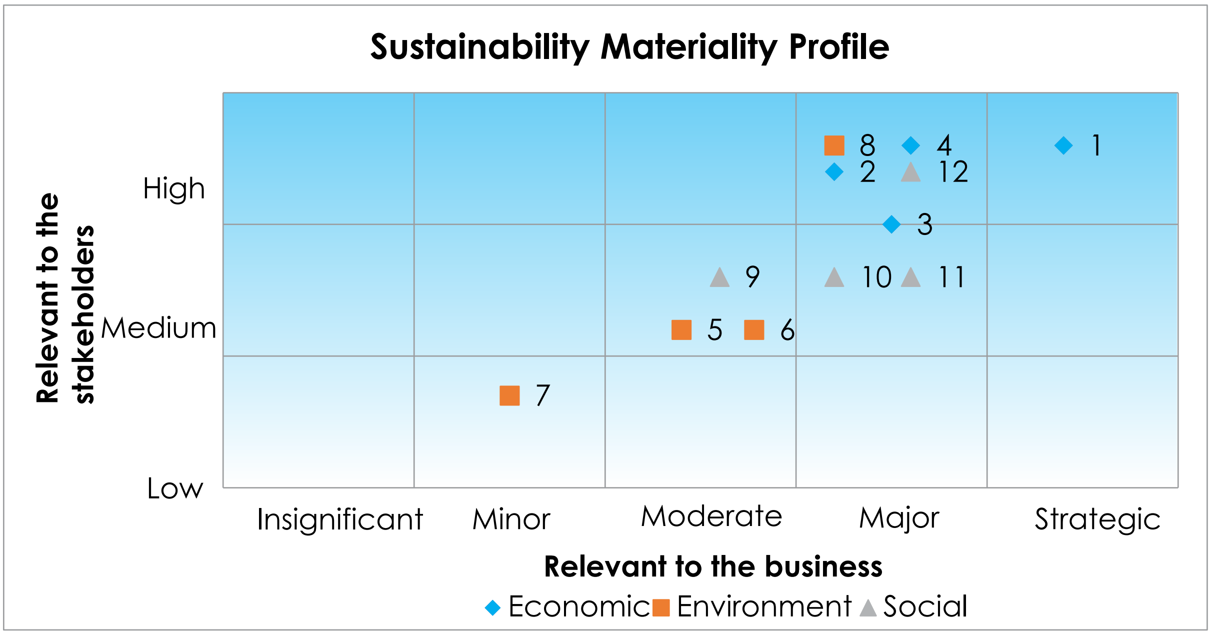
Sustainability Statement
(cont'd)

Materiality Assessment and Key Sustainability Matters

The emergence of the COVID-19 crisis for FY2021 has elevated the importance of sustainability and increased scrutiny on how JAKS manages and responds to the immediate impact of the crisis.

Our FY2021 materiality assessment reflects the changes to our business and the external environment. We reviewed our sustainability material matters with our top key Senior Management, the business environment affecting the Group's operations and risk areas, covering various internal and external exposures, as well as the degree of impact each sustainability matter has on JAKS.

From these reviews, twelve (12) sustainability matters identified in previous years were maintained with the Economic Presence and Sustainable Profitability categorised as High priority for stakeholders and having strategic influence on the Group.



Economic & Governance		Environment		Social	
1.	Economic Presence and Sustainable Profitability	5.	5Rs of Sustainability	9.	Diversity and Equal Opportunity
2.	Local Hiring	6.	Energy Efficiency	10.	Employee Turnover, Retention and Hire
3.	Anti-Corruption	7.	Waste Management	11.	Training and Development
4.	Indirect Economic Impact	8.	Environmental Compliance	12.	Occupational Health and Safety

We believe the integration of sustainability principles into business operations is the key to success. Through the mapping of stakeholders' needs and interests with materiality sustainability and sustainability risks and opportunities, we aligned our focus and developed sustainability strategies and key performance indicators ("KPIs") to be achieved by the year 2030. Having these KPIs in place allows us to monitor and benchmark our sustainability performance over time.

The sustainability strategies and KPIs are set corresponding to the three Sustainability Pillars – Economic and Governance, Environment and Social, anchored by the initiatives to ensure that we are on track in meeting these KPIs.

Sustainability Statement
(cont'd)

Sustainability Pillars & Initiatives

Economic and Governance

We are committed to deliver the projects within the timeline and Zero Liquidated Ascertained Damages ("LAD") imposed.	We are zero tolerance for all forms of fraud, bribery, and corruption.	We comply with rules and regulations	Uphold the highest business integrity

Environment

We explore ways to manage future emissions and implement environmentally friendly focused initiatives to reduce carbon footprint.	We are committed to identify, manage, and minimise the environmental impact of business operations.	We are obliged to control and prevent environmental pollution.

Social

We uphold equal opportunities for all and practice zero tolerance for any sort of workplace discrimination.	We embrace providing training and inspire to deliver to our customers	We believe in age and gender balance in the the Group	Zero accidents and zero-incident rate	Zero tolerance for harassment

Sustainability Statement
(cont'd)

Sustainability Strategies

Pillars	Strategies	Materials Topics
Economics & Governance	• Through upholding the highest business integrity and ethics, it would create long-term sustainable economic value for its stakeholders	• Economic Presence • Anti-Corruption
Environment	• To reduce consumption of non-renewable, non-recycled materials • To pursue and encourage the use of renewable resources	• 5Rs of Sustainability
	• To minimize the level of pollutants generated and the overall level of its carbon footprint entering into the air and water from daily business operations.	• Energy Efficiency
	• To comply with environmental regulatory and legal requirements.	• Waste Management Environmental Compliance
Social	• To maintain a safe and healthy workforce.	• Occupational Health and Safety
	• To recruit and retain potential and performing employees.	• Local Hiring • Employee Turnover, Retention and Hire
	• To use training and development as a strategic investment and a way of shaping culture and behaviour in the Group.	• Training and Development
	• To prevent sexual harassment and other forms of violence against women.	• Diversity and Equal Opportunity
	• To align our charitable giving with the Group's activities. • To actively encourage our people to get involved in charity work.	• Engagement with employees

Sustainability KPIs Achievement

We set KPIs and achievement targets in FY2021 to enable better measurement of the achievement of our Environmental, Social and Governance ("ESG") initiatives. Amidst the COVID-19 pandemic, we faced operational challenges due to the government-imposed lockdown to prevent the spread of the virus. We overcame the challenges together as a team and managed to complete our Sustainability KPIs focusing on the following priority areas.

ESG Area	Sustainability KPIs	Actual Achievement
Economic & Governance	All construction projects must meet the project timeline	The timeline for all construction projects was revised due to the pandemic.
	Zero Liquidated Ascertained Damages ("LAD") charged on construction projects	LAD was imposed for a project
	Participate in RM50 million worth per project tender	• 3 out of 6 construction projects participated worth RM50 million and above • Secured one (1) construction project worth RM9.15 million
	Participate in Renewable Energy construction project tender	Not met as JAKS still sourcing for suitable renewable energy construction project tender opportunities
	To maintain zero corruption cases	Zero corruption cases were reported in FY2021
	Promote awareness by providing anti-corruption awareness training to the Board of Directors ("BOD") and employees	A total of 4 hours of anti-corruption awareness training was provided to BOD in FY2021
Environmental	To reduce 2% of electricity consumption and diesel consumption as compared to the previous year	5% of electricity consumption and diesel consumption reduction in FY2021 as compared to the previous year, FY2020
	To implement energy-saving initiatives: • Switch off lights during non-operating hours in the office • Installation of LED lights within Evolve Mall	• Lights switch off during non-operating hours • Project on hold in FY2021 due to the cost-saving initiatives. Target timeline revised to be completed by FY2022
	To ensure zero cases of non-compliance with environmental regulatory	Zero cases of non-compliance with environmental regulations were reported in FY2021
	To ensure zero fines imposed by environmental authorities	Zero fines were imposed by environmental authorities in FY2021
Social	Priorities and hire 100% of local employees	100% local employees hired in FY2021
	Maintain 15% of employee turnover	Recorded 14% of employee turnover in FY2021
	Achieve racial diversity at the Board level	Achieved racial equality at the Board level (i.e., 50% Bumiputra; 50% Chinese)
	Achieve average gender ratio at the employee level	Maintained employee gender ratio of 44% Female and 56% Male
	To maintain zero discrimination cases within JAKS	Zero discrimination cases were reported in FY2021
	To maintain zero sexual harassment and take immediate action taken against any sexual harassment case reported	Zero sexual harassment cases were reported in FY2021
	Provide an average of 8 hours of training per employee per year for the executive level above	Provided an average of 3.2 hours of training hours for the executive level above
	Achieve zero cases of non-compliance to occupational health and safety regulatory	Zero cases of significant non-compliance to occupational health and safety regulatory
	Achieve zero cases of fatalities at all worksites	Zero cases of fatalities were reported at all worksites
	Reduce accident case, incident rate, accident frequency rate and severity rate by comparing with the previous year	Zero cases of incidents/ accidents were reported in FY2021

Sustainability Statement
(cont'd)

A. Economic

Action Plans	No.	Sustainability Targets	Achievements
To ensure construction projects completed within timeline and budget.	1	All construction projects must meet the project timeline	The timeline for all construction projects was revised due to the pandemic.
	2	Zero Liquidated Ascertained Damages ("LAD") charged on construction projects	LAD was imposed for a project
To secure at least 1 building / infrastructure construction project	3	Participate in RM50 million worth per project tender	• 3 out of 6 construction projects participated worth RM50 million and above • Secured one (1) construction project worth RM9.15 million
	4	Participate in Renewable Energy construction project tender	Not met as JAKS still sourcing for suitable renewable energy project tender opportunities

Direct impact: Economic Presence and Sustainable Profitability

Over the past 2 years, the pandemic has changed the world, be it in business, the community and personal capacity. JAKS embraces resiliency, agility and gradually has accelerated our transformation in our operation to adapt to changing times.

The Group's profitability for this year was largely dependent on its Power Division, in particular, the recurring share of profits from the joint venture company operating the Vietnam power plant. Meanwhile, the Large Scale Solar 4 @ MENTARI ("LSS4") renewable energy project in Seberang Prai, Penang is progressing well and the Power Purchase Agreement ("PPA") has been signed.

In the Construction Division, the COVID-19 pandemic and unforeseen circumstances (i.e., flooding) have adversely affected projects' progress. Through the revision of the project timeline, swift response to deploy additional resources or equipment and continuous monitoring of the project progress, we endeavour to proactively resolve the challenges together with the customer in order to ensure timely completion of the project. For replenishment of order book, the Group has actively participated in tender submission and/or negotiated for new construction projects, targeting those with higher margins to replenish its order book for the local construction division.

Meanwhile, the outlook for the Group's Property Management and Property Development & Investment division remains challenging due to weak market sentiment. To address the matter, we continuously review the operations and marketing strategies to improve the occupancy rate and rental yield of its Evolve Concept Mall at Ara Damansara and Pacific Towers Business Hub in Section 13, Petaling Jaya.

Coupled with cost-savings measures and a private placement exercise completed on 1 July 2021, raising total proceeds of approximately RM129.5 million, the Group is optimistic that the proactive initiatives undertaken will prepare us for a better financial position and sustainable business going forward.

The details of our financial results are discussed in the Management Discussion & Analysis of this Annual Report.

Code of Conduct

JAKS Code of Ethical Conduct and Conflicts of Interest (the "Code") in the Employee Handbook serves as an authoritative document that governs the conduct of ethical standards of Directors, management and employees. It highlights the Group's commitment to the stakeholders in preserving economic sustainability and oversees the conduct of all employees to observe high ethical business standards and apply these values in all aspects of the Group's business and management practices.

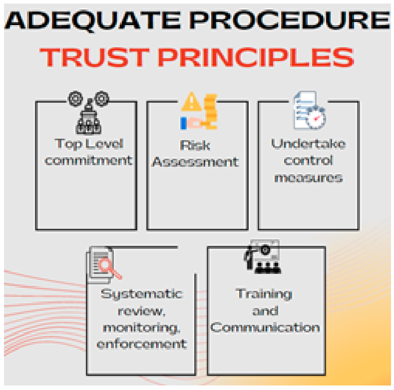
Sustainability Statement
(cont'd)

In FY2021, we are pleased to highlight that there are no complaints regarding suspected corrupt or unethical behaviour of our employees. We continue to uphold the highest standards of work ethics, honesty and morality.

Action Plans	No.	Sustainability Targets	Achievements
To promote awareness amongst internal stakeholders on JAKS's ABAC policy.	1	Maintain zero corruption case	Zero corruption cases were reported in FY2021
	2	Provide anti-corruption awareness training to the Board of Directors ("BOD") and employees	A total of 4 hours of anti-corruption awareness training was provided to BOD in FY2021

Anti-Bribery and Anti-Corruption Policy

Our zero-tolerance towards corruption, bribery and fraud is embodied in our Anti-Bribery and Anti-Corruption ("ABAC") Policy. The policy demonstrates our strong stance in being committed to conduct our business operations with the utmost integrity and counter corruption. In FY2021, an anti-corruption awareness training was provided for BOD to further instil the "TRUST" principles as governed by the Adequate Procedure pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act).



Whistle Blowing Policy

A Whistleblowing Policy was established to provide stakeholders an avenue to raise genuine concerns of misconduct or unlawful behaviours within JAKS without fear of retaliation. Complaints and feedback to report any suspected inappropriate behaviour or misconduct relating to fraud, corrupt practices and/or abuses involving the Group's resources.

Reports under this Policy shall be brought to the Chairman of the Audit Committee via any one of the following channels:

- By Email: whistleblowing@jaks.com.my
- By Post: Chairman of the Audit Committee JAKS Resources Berhad
  JAKS Resources Berhad
  Unit B-09-28, Tower B
  Pacific Towers, Jalan 13/6,
  Section 13, 46200 Petaling Jaya
  Selangor Darul Ehsan
  Malaysia.

The Whistle-Blowing Policy is available on our corporate website at http://www.jaks.com.my/investors.php. In FY2021, there was no report received through the whistleblowing channel.

Indirect Economic Impact

Our Property Development & Investment Division, and Property Management divisions have positively contributed to the development of a group of communities through employment and other economic opportunities generating indirect economic benefits.

Pacific Towers Business Hub is a four-storey retail and commercial centre in Section 13 of Petaling Jaya; while Evolve Concept Mall is located around serviced apartments, signature offices, and commercial shop-lots at Ara Damansara. The development of Evolve Concept Mall and Pacific Towers Business Hub was ready for a variety of businesses. The easy connectivity to the educational institutions, amenities, public transportation and infrastructure from Evolve Concept Mall and Pacific Towers Business Hub is expected to enrich the community's wellbeing, and increase the business and employment opportunities.

Sustainability Statement
(cont'd)

B. Environment

5Rs of Sustainability

At JAKS, we explored new methods and initiatives to reduce the environmental footprint created by construction activities. It is essential for us to minimise the environmental impacts at our construction sites on the natural and surrounding environment and to conserve it for the future generation. We relentlessly apply the 5Rs concept which includes, "Refuse, Reduce, Reuse, Repurpose and Recycle" into our operations and strategies because we believe that the reward shall be reciprocated in long term leading to a more sustainable environment.

Our efforts in environmental sustainability focus mainly on these three aspects:

- Minimising water and energy consumption
- Preserving the environment
- Compliance with environmental regulatory requirements

Efficient Use of Energy

Action Plans	No.	Sustainability Targets	Achievements
To monitor the electricity and diesel consumption	1	To reduce 2% of electricity consumption and diesel consumption as compared to the previous year	Reduced by 5% of electricity consumption and diesel consumption in FY2021 as compared to the previous year, FY2020
To implement energy/ water saving initiatives	2	Switch off lights during non-operating hours in headquarter office	Lights switch off during non-operating hours
	3	Install LED lights within Evolve Mall	Project on hold in FY2021 due to the cost-saving initiatives so as to ensure a sound financial position for JAKS. Target timeline revised to be completed by FY2022

It is undeniable that as we build towards better economic and population growth, the reciprocal impact has been the rise of carbon emissions. We understand the significant effect of high carbon emissions and take serious commitment to constantly explore new technologies to reduce carbon footprint and strive for efficient energy use in our operations.

The use of diesel and electricity in our Construction and Property Development & Investment has inevitably generated greenhouse gas ("GHG"). In view of the severe environmental impact, we monitor closely on our diesel and electricity consumption through the implementation of monthly reporting, and regular preventive maintenance for our machinery and equipment.

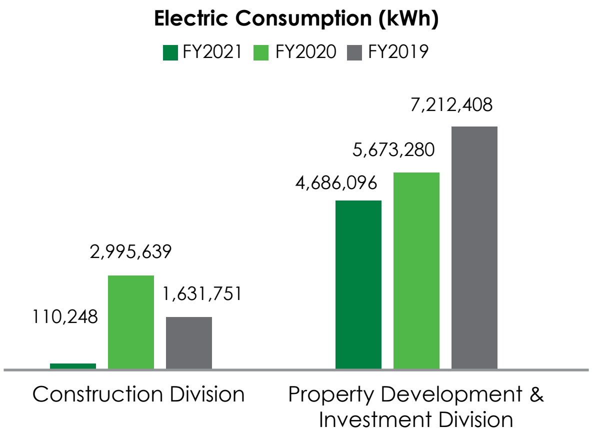
While we are constantly monitoring the external factors that lead to the increase in energy consumption, we are also exploring alternatives methods to conserve energy, reduce the carbon footprint and be more energy efficient in our operations.

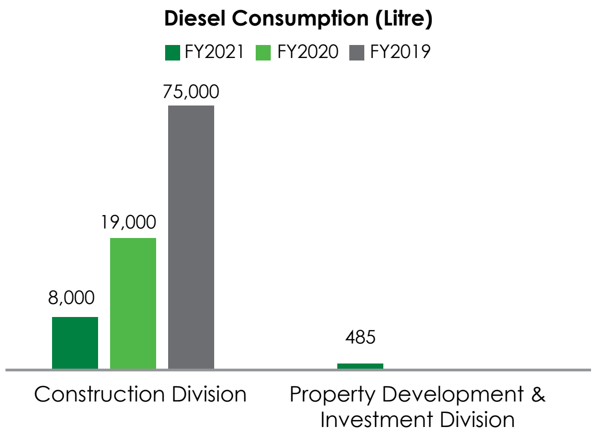
Our Pacific Towers Business Hub in Petaling Jaya is constructed based on the features recommended by Green Building Index ("GBI") requirements such as water and energy efficiency and indoor environment quality components. The paint used for the building was eco-friendly and free from volatile organic compounds ("VOC"). The windows were low-E glass reduce temperature from outside lessening air-conditioning.

With the development of better LED lighting technology, our Pacific Tower's offices and some of our construction sites use energy-efficient LED lights that save the usage of energy and reduce carbon footprint. For Evolve Mall, the changing of LED lights was on hold in FY2021 due to the cost saving initiatives to better financial position for JAKS. The timeline was revised and we expect LED light installation to be completed by FY2022. In addition, we introduced various initiatives from reducing the number of chiller usage to limiting the lighting in the office, mall air conditioners, escalators and lifts at certain period of time.

Sustainability Statement
(cont'd)

We encourage our employees to adopt digitalisation including converting documents into electronic papers while all the photocopy machines, computers and laptops are installed with power-saving features. We expect to cut down our electricity consumption within the next three (3) years, as indicated below:





We recorded lower electricity and diesel consumption (i.e., 5%) in FY2021 mainly due to the slowdown of operation activities as a result of movement control restrictions and the work from home by rotation arrangement for employee working in headquarter office.

Starting in FY2021, we have included diesel consumption records for the Property Development & Investment Division as the Company has invested in 4 units of motorcycles for the Evolve Mall's security team for better monitoring and security purposes. Though the diesel consumption recorded was minimal as compared to the Construction Division, we believe the inclusion of the data would be beneficial for our continuous monitoring.

We continue to seek opportunities for sustainable and responsible consumption of electricity and diesel consumption while raising responsible consumption awareness among employees, subcontractors, tenants and patrons. The plan for installing LED lights in Evolve Mall was deferred to FY2022 due to the cost-saving initiatives and to improve the financial position of JAKS.

	FY 2021		FY2020		FY2019	
	Electricity (KwH)	**Diesel (Litre)**	**Electricity (KwH)**	**Diesel (Litre)**	**Electricity (KwH)**	**Diesel (Litre)**
Carbon Emission (t CO_2e)[1]	1,019	23	2,021	51	2,062	202
Total Carbon Emission	1,042		2,072		2,264	

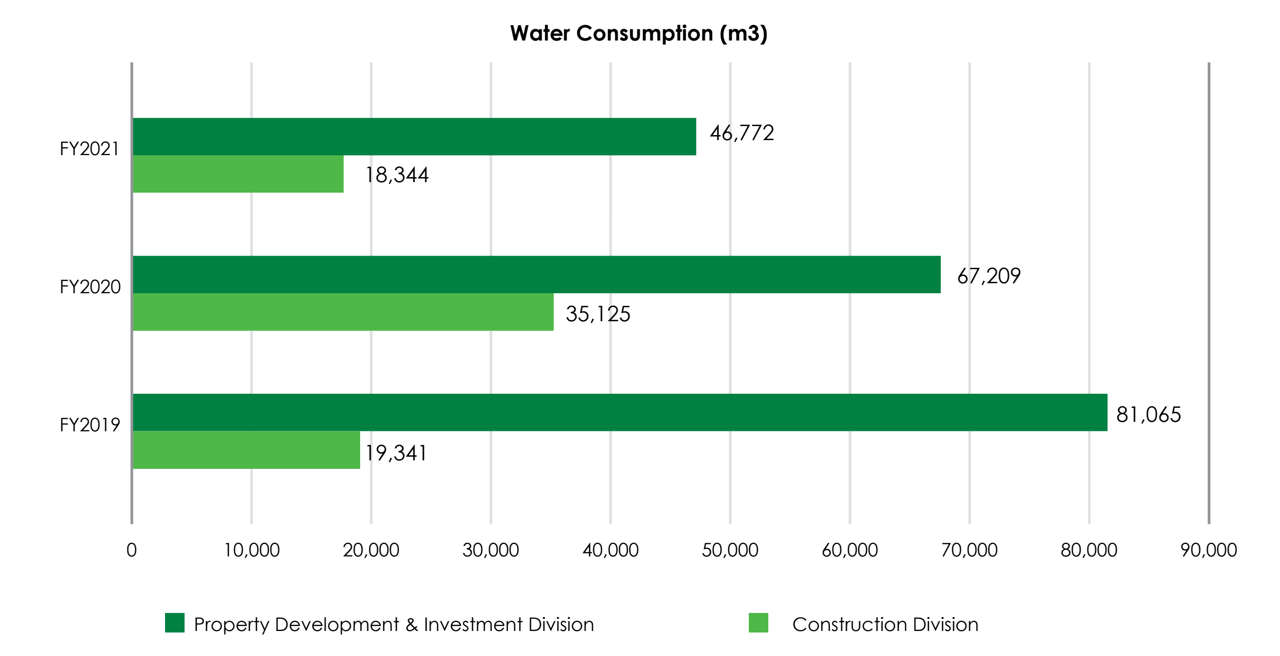
Water Consumption

Water resource management is essential to protect the construction sites surrounding eco-systems. At JAKS, rainwater is collected at construction sites wherever possible and stored in storage ponds and containers to be used for outdoor cleaning purposes.

Water consumption is not just an ESG indicator, but it also represents a substantial cost for JAKS's operations, thus, we closely track our water consumption to minimise its usage. We explore sustainability practices and work toward water consumption efficiency as we strive toward our goal of creating a sustainable water future. Similarly with electricity and diesel consumption, the reduction of water consumption was mainly due to the slowdown of operation activities as a result of movement control restrictions and the work from home by rotation arrangement for employee working in headquarter office.

[1] Fuel Emission Factor used in 2021 = 2.70553 kg CO_2e /litres for diesel and 0.21233 kg CO_2e /kWh as per UK Government GHG Reporting Conversion Factors for Company Year 2021. Greenhouse gas reporting: conversion factors 2021 - GOV.UK (www.gov.uk)

Sustainability Statement
(cont'd)



Emission and Waste Management

Waste management has always been one of the most environmental challenges faced in Malaysia. In JAKS, we are committed to play our part in managing our waste responsibly and reducing our waste to landfills.

The Group manages all its domestic and industrial wastes, mainly consisting of construction debris such as concrete timber, wood and plastic, in accordance with the regulatory requirements. Waste is properly stored and collected by waste collectors, appointed by local authorities and disposed at disposal centres. We work closely with our contractors to identify any new sustainability initiatives to reduce our construction waste whenever possible.

Environmental Compliance

Action Plans	No.	Sustainability Targets	Achievements
To ensure sub-contractor comply with the environmental regulatory through adherence to contract terms and conditions, and fines imposed	1	Zero cases of non-compliance with environmental regulatory	Zero cases of non-compliance with environmental regulations were reported in FY2021
	2	Zero fines imposed by environmental authorities	Zero fines were imposed by environmental authorities in FY2021

JAKS acknowledges that being in the construction industry will naturally impact environmental pollution. We are committed in controlling and preventing environmental pollution within our business divisions to preserve a healthy ecosystem. In our construction division, a Site Safety Supervisor is appointed to monitor the effluent generated from our key projects such as the development of the Langat 2 Water Treatment Plant and Water Reticulation system in Selangor / Wilayah Persekutuan Kuala Lumpur ("Langat 2 WTP"), and monthly submission of environmental monitoring report to the Department of Environment ("DoE"). Such efforts ensure compliance with the regulatory requirements and avoid any potentially adverse environmental impacts from our construction activities.

Our project of Langat 2 WTP is regulated under the Environment Impact Assessment ("EIA") requirements published by the DoE. A copy of the Environmental Management Plan ("EMP") was submitted to the DoE and approved on 9 July 2015 to ensure we strictly complied with the standards and guidelines of Malaysia's Environment Quality Act 1974.

Sustainability Statement
(cont'd)

Our continuous environmental monitoring is part of the DoE requirement and the works under this environmental monitoring for Langat 2 WTP include:

Environmental aspect	DoE Standards	Actual average achievement		
		FY2021	FY2020	FY2019
Ambient Air Quality	Total Suspended Particulates ("TSP") 260µg/m3 by Malaysia Ambient Air Quality Standard level	Complied with standard	Complied with standard	Complied with standard
Noise Level	Noise limit: • 65 dBA (day time) • 60 dBA (night time) Stipulated under the Guidelines for Environmental Noise Limits and Control.	Complied with standard	Complied with standard	Exceeded limit due to public vehicle movement and highway construction projects near the project site.
Water Quality	Class II of National Water Quality for Malaysia (NWQS)	Exceed limit for Biological Oxygen Demand (BOD), Ammoniacal Nitrogen and E.coli and the remaining parameters were within the limit.	Exceeded limit for Dissolved Oxygen, Biological Oxygen Demand (BOD) and Chemical oxygen demand COD) The remaining parameters were within the limit	Exceeded limit for Dissolved oxygen. The remaining parameters were within the limit

In FY2021, there was no non-compliance resulted in fines or penalties (FY2020: RM6,000) from local authorities. We regularly review our policies and procedures and engage with the DoE to ensure any issues raised were addressed and steps were taken to mitigate any environmental issues immediately.

C. Social

Diversity and Equal Opportunity

Action Plans	No.	Sustainability Targets	Achievements
To prioritise local employees hired within the financial year	1	Priorities and hire 100% of local employees	100% local employees hired in FY2021
To recruit and retain potential and performing employees	2	Maintain 15% of employee turnover	Recorded 14% of employee turnover in FY2021
To maintain at least 1 female at the Board level	3	At least 1 female at Board Level	Board composition consists of 1 Female and 7 Male Board Members.
To ensure zero racial discrimination cases (Board level)	4	Achieve racial diversity at Board Level	Achieved racial equality at the Board Level, which consist of 50% Bumiputra; 50% Chinese
To ensure age balance in the workplace (Board level)	5	Maintain age balance ratio between male and female directors • 25% - 40 to 49 years old • 25% - 50 to 59 years old • 50% - 60 years old and above	Board's age balance ratio consists of • 25% - 40 to 49 years old • 25% - 50 to 59 years old • 50% - 60 years old and above

Sustainability Statement
(cont'd)

Action Plans	No.	Sustainability Targets	Achievements
To achieve an average gender ratio among employee	6	Achieve average gender ratio at the employee level	Maintained employee gender ratio of 44% Female and 56% Male
To ensure age balance in the workplace	7	Maintain age balance ratio at the employee level • 13% - <30 years old • 27% - 30 to 39 years old • 31% - 40 to 49 years old • 20% - 50 to 59 years old • 8% - 60 years old and above	Employee's age balance ratio consists of • 10% - <30 years old • 25% - 30 to 39 years old • 28% - 40 to 49 years old • 27% - 50 to 59 years old • 10% - 60 years old and above
To ensure zero racial discrimination case	8	Achieve zero racial discrimination and maintain racial diversity at the employee level	Achieved racial diversity at the employee level (i.e., 49% Bumiputra, 41% Chinese and 10% Indian)

At JAKS, we recognise our employees as highly valued individuals and believe in diversity. Our diverse team in all dimensions – both visible and underlying differences such as age, race, religion, gender, nationality and thinking styles and beliefs will create an inclusive and progressive culture. Together as a team, we can thrive and work together to build a motivated, stronger and sustainable company, that delivers sustainable environmental, economic and social impact for ourselves and our communities at large.

In line with our practice of non-discrimination towards people who are different, we have also employed a person with part visual impairment. We believe in upholding equal opportunities for all and practice zero tolerance for any sort of workplace discrimination as this would enable our company to grow and expand rapidly.

Our total workforce strength of 135 in FY2021 (FY2020: 146, FY2019:157), comprising of Male:56% and Female:44% respectively. We envisage to increase female employees particularly at the Senior Management level. This objective still will be based on merit, skills and experience needed for the tasks on hand.

At JAKS, all of our workforces are from our local pool of talent as local hiring enhances job opportunities and they are best fit for the job since they understand the needs of the Malaysian market and culture.

JAKS'S Workforce	FY2021				FY2020			
Gender Diversity	Senior Management		Non-Senior Management		Senior Management		Non-Senior Management	
	Male	Female	Male	Female	Male	Female	Male	Female
	19	3	56	57	22	3	61	60
Total	**22**		**113**		**25**		**121**	
Age Diversity								
20-29 years old	-		14		-		17	
30-39 years old	2		32		3		33	
40-49 years old	2		35		5		34	
50-59 years old	10		26		9		31	
60 years and above	8		6		8		6	
Total	**22**		**113**		**25**		**121**	
Ethnic Diversity								
Bumiputra	5		61		5		65	
Chinese	16		40		19		42	
Indian	1		12		1		14	
Total	**22**		**113**		**25**		**121**	

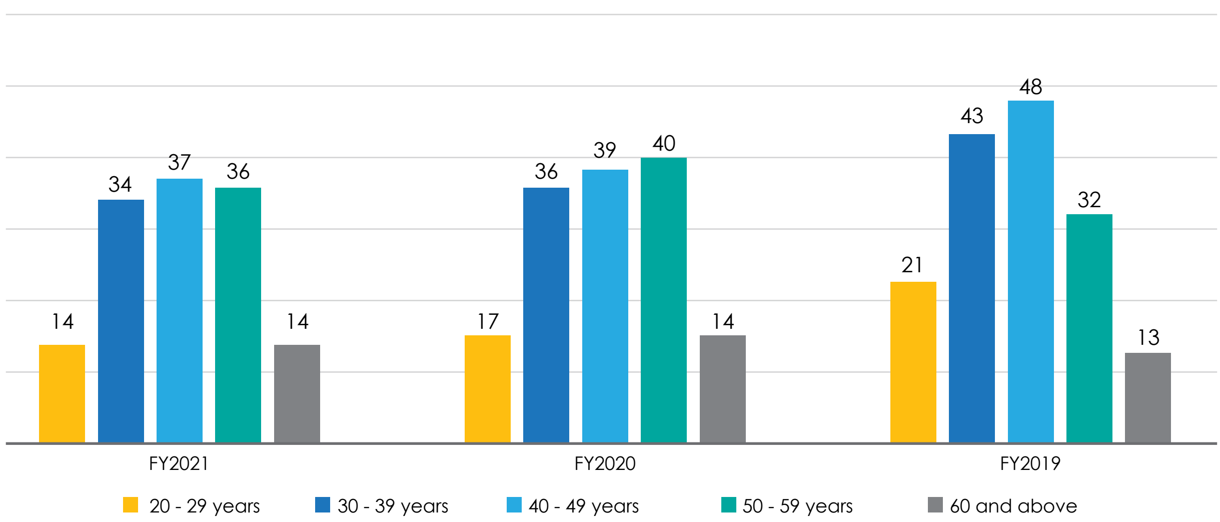
Sustainability Statement
(cont'd)

Talent Attraction and Retention

In FY2021, in line with the cost-saving initiatives, recruitment activities remained minimal with only 2 new hires (FY2020: 42, FY2019:29 new hires) for replacement purposes. We cautiously reassessed the JAKS's workforce needs and assure that this has not affected the Group's business continuity and operations. Employee turnover rate reduced to 14% (FY 2021: 19 resigned employees) as compared to 32% in FY 2020 (46 resigned employees). The decrease in turnover rate in FY 2021 was due to a higher number of contract employees that are due for renewal in FY2020.

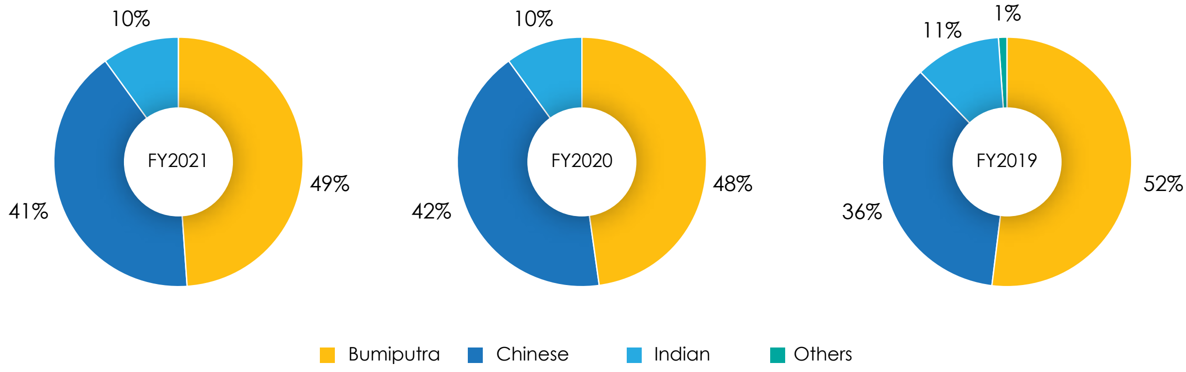
EMPLOYEE DISTRIBUTION	
Total Number of employees in 2021: 135 employees	
Employee Diversity by Position and Gender	
Senior Management	**Non-Senior Management**
16%	**84%**
14% **2%**	**42%** **42%**

Employee Distribution by Age



Sustainability Statement
(cont'd)

Employee Distribution by Ethnicity



Zero Tolerance for Harassment

Action Plans	No.	Sustainability Targets	Achievements
To ensure zero racial discrimination cases	1	Zero discrimination cases	Zero discrimination cases were reported in FY2021
To communicate sexual harassment policies to all employees	2	Zero sexual harassment and take immediate action against any sexual harassment cases reported	Zero sexual harassment cases were reported in FY2021

JAKS is committed to provide a safe workplace free from any unwelcome harassment. We view any harassment as a serious misconduct that undermines the integrity and respect of the working relationship of employees in the workplace and is regarded as a serious violation of the company's rules and regulations. Any harassment will be strictly dealt with in accordance with the Company's human resource procedures and applicable labour and appropriate regulation.

The Journey of Growth

We are committed to engage with university students by establishing an internship programme that provides a great learning opportunity and on-the-job training to boost start their careers. We welcome students from local universities and educational institutions to join our internship programme which could benefit the younger workforce. This programme has yet to reach its full potential for the FY2021, as the Group employed one (1) intern (FY 2020: 1 intern, FY2019: 2 interns) and allocated to the Property department, under JAKS Sdn Bhd.

Internship Programme in JAKS					
Ethnic diversity working environment	Opportunity to decide whether to pursue career in JAKS	Exposed to work ethics	Develop soft skills	Knowledge sharing	Practical experience in field of interest

Sustainability Statement
(cont'd)

Training and Development

Action Plans	No.	Sustainability Targets	Achievements
To provide an average of 8 training hours per employee at the management level	1	Provide 8 hours of training per employee per year for the executive level above	Provided an average of 3.2 hours of training for the executive level above *(352 training hours over 110 number of executive levels above employee)*
	2	RM100,000 budget allocated for training and development	RM11,638 training cost utilised in FY2021

We ensure our employees are equipped with the latest skills and knowledge to nurture a strong talent pool that is competitive and dynamic to lead JAKS into a better future. It is crucial for our employees to undergo training programmes comprising both functional and technical skills related to construction, property management and health and safety matters to help the employees to achieve their personal goals and the Group's collective goals as an organisation. We guide the developmental progress of our employees by providing relevant training, designed for all employment levels, from management to executive and non-executive.

We faced challenges in conducting training, although during the pandemic, online training was conducted. Further, cost-saving initiatives confined our training resulting in reduction in both the training costs (approximately RM11,600 training cost was invested) and hours in FY2021.

TRAINING & DEVELOPMENT

Total Training Hours for FY 2021

400

(FY2020: 628, FY 2019: 1,024)

Training Hours by Division

Type of training programmes	FY2021 (hours)	FY2020 (hours)	FY2019 (hours)
Functional and technical skills	176	44	304
Health and safety	224	584	720
Total	**400**	**628**	**1,024**

Trainings programmes

- Continuous Education Program Course for Safety and Health Officer
- Ulangkaji Permit C (Paip & Retikulasi) Sistem Bekalan Air
- Malaysian Certified Inspector of Sediment and Erosion Control (MY-CISEC) Training 7 Certification Examination
- Malaysian Carbon Reduction & Sustainability Tools-MyCrest
- Qlassic Awareness Course
- COVID-19 Emergency Response Plan (ERP) & Crisis Management
- MIA Webinar Series
- Aroshe 2021- New Challenge for OSH & Environment
- Webinar Series: Company Secretaries Practice for beginners
- Webinar on Falsework Safety
- Derivatives: Fundamental (Spot, Forward and Option) in FX
- Financial Master Class (Cybersecurity-Building Enhancing Cyber Resilience through Human Firewall)
- 17th MOSPHA OSH Conference 2021 Stress Transformation
- Tenaga Safety Passport (NTSP) Training
- Emergency First Aid & CPR

Sustainability Statement
(cont'd)

Occupational Health and Safety ("OHS")

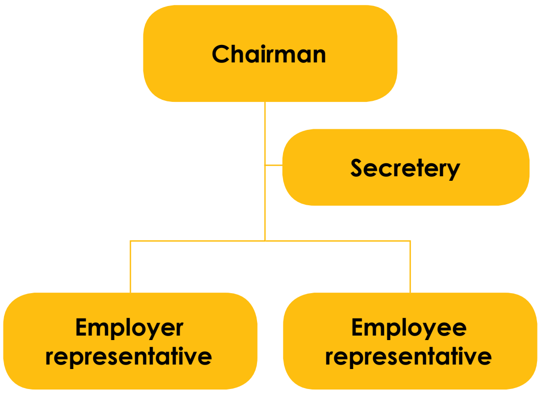
Action Plans	No.	Sustainability Targets	Achievements
To achieve zero breach cases of non-compliance to OHS regulatory	1	Zero cases of non-compliance with OHS regulatory	Zero cases of significant non-compliance with OHS regulatory
To achieve zero fatalities cases at all worksites	2	Zero cases of fatalities at all worksites	Zero cases of fatalities were reported at all worksites
To reduce the number of accident cases and incident rate as compared with the previous year	3	Reduce accident case, incident rate, accident frequency rate and severity rate by comparing with the previous year	Zero cases of incident/ accident were reported in FY2021

In many other sustainability areas, ESG considerations are becoming more imperative to the construction sector. Any new OHS regulations for construction industry practices are constantly highlighted during our periodical safety briefings / meetings with the employees in order to notify them of the potential risks and exposures they are facing. Aside from our employees, we encourage responsibility towards health and safety at all levels of employees and contractors, visitors, and etc. to prevent any health and safety violations, accidents and ill-health in the workplace that can result in fines or stop-work orders hindering the construction work progress.

We demonstrate our commitment through our actions. In fostering a safe workplace, Occupational Health and Safety Policy Statement and Safety Operating Procedures are in place and communicated to all relevant parties. Some of the safety operating procedures in place are as below:

1. Performance Measurement & Monitoring	4. Personal Protective Equipment
2. Chemical Handling & Spillage Control	5. Hazard Identification, Risk Assessment and Determining Risk Control (HIRARC)
3. Emergency Preparedness & Response	6. Emergency Response Plan

In addition, our Health and Safety Management System is in line with the internationally recognised ISO 45001:2018; (which expired on 24th June 2022). The alignment with the latest industry standards, ISO 45001:2018, that adopts a risk-based approach enables organisations to put in place an OHS management system in managing risks and improving the organisation's performance, reaffirms our commitment toward a safe and sustainable workplace for all employees.



To this end, we implemented proactive measures and continuous assessment to minimise job-related hazards and incidents. At our construction site, we practice the OHS measures and activities as follows:

- Occupational Health & Safety Committee ("OHSC") was established to facilitate the management of occupational health and safety-related matters
- Appointment of Safety Officer
- Periodical Safety briefings and reminders
- Provision of personal protective equipment

- Conduct safety and health activities with the following frequencies:

No.	Activities	Frequency
1.	Toolbox/ Safety Briefing	Weekly
2.	Safety Induction	For new workers
3.	Workplace Inspection Checklist	Monthly
4.	Fire Extinguisher Checklist	Monthly
5.	First Aid Checklist	Monthly
6.	Safety Committee Meeting	Quarterly
7.	Emergency fire drill	Twice yearly
8.	Emergency Evacuation	Twice yearly
9.	Trade training for workers	As necessary
10.	Machinery Inspection (Initial)	At the point of arrival at the site
11.	Machinery Inspection	Quarterly
12.	COVID-19 Updates	Weekly

We remain vigilant and with the stringent safety measures in place, we are proud to report the following:

WORK-RELATED ACCIDENT CASES

Years	2021	2020	2019
Number of Fatalities	0	0	1
Rate of incidents	0	0	6.94

COVID-19 Preventive Measures

COVID-19 remains a core concern of our business as Malaysia shifts towards the endemic stage. To ensure a safe workplace for all tenants, employees and patrons, safety measures and Standard Operating Procedures ("SOPs") are in place as recommended by the Ministry of Health and National Security Council.

Security guards are stationed at the entrances of Pacific Tower and Evolve Concept Mall to enforce strict temperature screening, vaccination status and masks to be worn at all times before entering the premises. All entrances were provided with MySejahtera and SeLangkah QR codes for all visitors to register themselves and hand sanitisers were available for the convenience and hygiene of visitors.

All public events and gatherings such as weddings, sales carnivals, etc. for Evolve Concept Mall were postponed in strict compliance with the ongoing Movement Control Order ("MCO") regulations. On the same note, the impact of the COVID-19 resulted in companies prompting and embracing virtual working. With the increasing uncertainties of the endemic, JAKS invested in Microsoft Office 365 (a cloud-based application) so as to allow flexible working arrangements for selective office employees to be on the rotation of working shifts arrangement to reduce the physical workforce in the office and whilst ensuring the business operations of JAKS are not disrupted.

As for the Construction Division, we ensure that COVID-19 procedures (i.e., temperature checking) are enforced at all times. With the increase in COVID-19 disease self-test kits availability, all construction workers are required to conduct bi-weekly self-testing to enable us to act quickly, preventing any infection at our construction sites and offices.

With swift actions taken to contain the spread of the virus, including immediate isolation of positive cases, mass screening of workers as well as sanitation at construction sites, we are pleased to announce that no cluster was reported within the construction sites where JAKS operates.

Sustainability Statement
(cont'd)

Engagement with Community

While COVID-19 has disrupted JAKS's corporate social responsibility plan, as a responsible corporate citizen, we remain steadfast to support and provide aid to the vulnerable sections of the society while balancing the business continuity of JAKS.

Action Plans	No.	Sustainability Targets	Achievements
To provide COVID-19 financial assistance and contribution or community engagement activities	1	RM50,000 spend on community engagement activities	Contributed RM74,500 to community engagement activities in FY2021

In FY2021, the donations by JAKS with totalling to RM74,500 are tabulated as below.

Name of Programme	Purposes
Yayasan 1 Suria	Donation for unfortunate children – through the purchase of hand painting by them
Yayasan Sin Chew	Donation to purchase additional emergency stretcher bed and decompression mattress for Rawang hospital due to surge of COVID-19 cases
Klang Chinese Chamber Of Commerce And Industry	Fundraising to aid mega flood victim

Employee Satisfaction

We understand the importance of investing in our employees and ensuring our workforce is motivated and committed to achieving success. We engage our employees based on their performance and discuss regularly with them to identify any dissatisfaction and improvement areas. Townhall / communications sessions with employees were held by respective project managers and head of departments on monthly basis. We also offer attractive benefits to our full-time permanent employees.

Our key benefits include:

Types of benefits	Descriptions
Leaves	Annual Leave up to 26 days, Substitute Leave, Medical & Hospitalization Leave, Maternity Leave, Compassionate Leave, Contingency Leave, Congratulatory Leave, Examination Leave
Allowances	Business Travel Allowance, Accommodation Reimbursement, Outstation Allowance, Outdoor Sales Allowance, Handphone Reimbursement, Professional Membership Reimbursement
Medical	Annual Medical Check-up & Health Screening
Insurance	Hospital & Surgical Insurance, Group Personal Accident Insurance and term Life Insurance
Others	Long Term Incentive Plan, Long Service Award, Training

Sustainability Statement
(cont'd)

Engagement with Employees

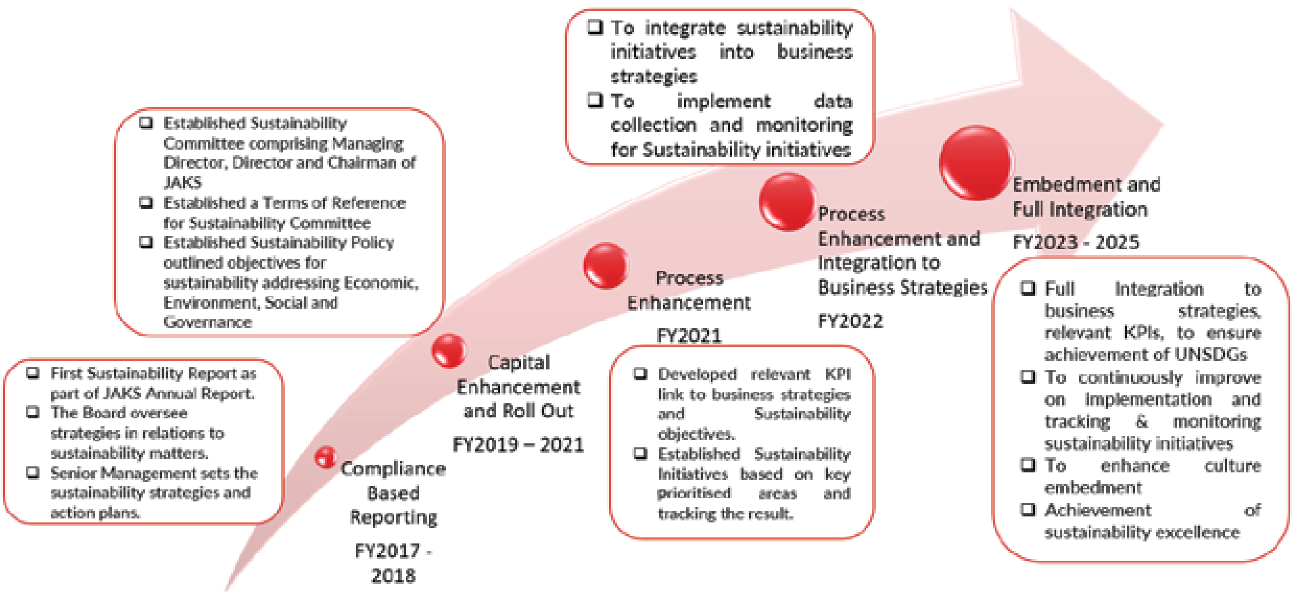
Action Plans	No.	Sustainability Targets	Achievements
No action plan for FY2021 to avoid social gatherings within Company due to COVID-19	1	Distribution of e-vouchers to employee	Not applicable for FY 2021 to curb COVID-19
	2	Team building activities	Not applicable for FY 2021 to curb COVID-19

We recognise the importance of work-life balance and believe that employee satisfaction is vital to JAKS's productivity. We initiated a Sports Club in 2005 named "Kelab Sukan dan Rekreasi JAKS" which aimed to build a healthy culture and lifestyle for our employees.

However, the COVID-19 and to safeguard the safety and health of our employees, we decided to restrict informal gatherings activities. Moving forward, Sports Club Committee will activate/ re-commence more fun and exciting activities for our employees when the COVID-19 pandemic is under control.

Going Forward

Aligning with the ESG integration guided by the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"), we have reviewed and taken the first move to formalise the sustainability strategies and KPIs this year. We will continuously improve the implementation, tracking and monitoring of the strategies and KPIs achievement and by the year 2023, progressively embedding and fully integrating sustainability into business strategies and KPIs to ensure the achievement of United Nations Sustainable Development Goals. JAKS's sustainability journey roadmap is shown below:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of JAKS Resources Berhad (the "Company" or "JAKS") supports high standards of corporate governance and assumes responsibility in ensuring that principles and practices of the Malaysian Code on Corporate Governance ("the Code") are followed where possible or provide alternatives in meeting them. The Group believes that good governance will help to realise long-term shareholders value, whilst taking into account the interest of other stakeholders.

Set out herewith are the corporate governance principles and recommendations that were applied during the financial year ended 31 December 2021. The Board considers that it has fundamentally applied the principles and practices of the Code and is pleased to report the actions taken by the Company to conform to the Code in the Corporate Governance Report that is available in the Company's website www.jaks.com.my.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

i. Board Responsibilities

The Board of Directors takes full responsibility for the performance of the Group. The Board provides stewardship to the Group's strategic direction and operations which will ultimately maximise shareholders' value. To fulfill this role, the Board provides advice to the Management in monitoring and achieving the Group's goals.

The Board's most important functions are as follows:

- ensuring that the Group's goals are clearly established, and strategies are in place to achieve them;
- establishing policies for strengthening the performance of the Company including ensuring that Management is proactively seeking to build business through innovation, initiative, technology and the development of its business capital;
- monitoring the performance of Management;
- appointing the Chief Executive Officer ("CEO") and setting the terms of his employment contract;
- deciding on steps which are deemed necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Company's financial statements are true and fair and conform with law;
- ensuring that the Company adheres to high standards of ethics and corporate behavior; and
- ensuring that the Company has appropriate risk management or regulatory compliances policies in place.

In discharging its fiduciary duties during the financial year 2021, the Board has delegated specific tasks to six Board Committees namely Audit Committee, Nomination Committee, Remuneration Committee, LTIP Committee, Sustainability Committee and Risk Management Committee. All the Board Committees have its own terms of reference and the authority to act on behalf of the Board within the authorities as lay out in the terms of reference and report to the Board with the necessary recommendation.

The Company has a Board Charter which sets out the Board Governance process and Board-Management relationship. The Board Charter is available on the Company's website at www.jaks.com.my. A review of the Board Charter was conducted on 30 November 2021.

The Board Charter also has a formal schedule of matters reserved for the Board covering the limits of authority for:

- Acquisition & Disposal of Assets
- Investments in Capital Projects
- Treasury Policies
- Risk Management policies

Corporate Governance Overview Statement
(cont'd)

ii. Board Composition

The Board of JAKS presently has eight members comprising of the CEO, two Executive Directors and five Independent Non-Executive Directors. The Independent Non-Executive Directors make up more than 50% of the Board to allow for objective independent judgement to be made by the Board.

The Board meetings are presided by the Chairman, who is an Independent Non-Executive Director and whose role is clearly separated from role of the CEO to ensure a balance of power and authority.

The Executive Directors are responsible for implementing the policies and decisions of the Board, overseeing the operations as well as managing the development and implementation of business and corporate strategies. The Independent Non-Executive Directors are independent of Management and free from any business relationship which could materially interfere with their independent judgement. Their presence ensures that issues of strategies, performance and resources proposed by the Management are objectively evaluated and thus provide a capable check and balance for the Executive Directors.

On the tenure of the independent directors who have exceeded the term of nine (9) years in 2021, the Nomination Committee and the Board members (save for the affected independent directors) had assessed their performance and noted that they have continued to support objective and independent deliberation in their decision-making. The recommendation for their retention was made to the shareholders and the Company's shareholders had at the Annual General Meeting (AGM) in 2021 passed the resolutions to allow Tan Sri Datuk Hussin bin Haji Ismail, Mr. Liew Jee Min @ Chong Jee Min and Dato' Azman Bin Mahmood who have both served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, to continue to act as Independent Non-Executive Directors of the Company until the 2022 AGM.

The Board has taken note of Practice 5.10 of the Code to have a gender diversity policy and has adopted the Board Gender Diversity Policy in the Board Charter on 30 November 2021 setting out that there is to be at least a woman Director on the Board at all times. In seeking potential candidate(s) for new appointments, the Board takes into account ethnicity and age distribution of the Directors to maintain a balanced Board composition and the Board shall also review the participation of women in senior management to ensure there is a healthy talent pipeline. In undertaking the process of reviewing and selecting potential candidates to fill in the vacancies, the Board shall be mindful of various diversity factors to strengthen the Board composition that meets the objectives and strategic goals of the Group.

Board Meetings

During the financial year ended 31 December 2021, five (5) Board Meetings were held. Besides the routine meeting to discuss on the quarterly financial reports, the Board held special meetings to discuss on the project planning undertaken during the year. The respective Directors' attendance record is as shown in the table below:

Director	No. of meetings attended
Tan Sri Datuk Hussin Bin Haji Ismail	5/5
Ang Lam Poah	5/5
Ang Lam Aik	5/5
Dato' Razali Merican Bin Naina Merican	5/5
Dato' Azman Bin Mahmood	5/5
Liew Jee Min @ Chong Jee Min	5/5
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar	5/5
Khor Hun Nee	5/5

The Board meets at least five times a year and as and when it is necessary. Due notice of matters to be discussed are provided to the Board. The proceedings, deliberations and conclusions made by the Board were properly recorded in the minutes of meetings kept by the Company Secretary and was confirmed by the Board and signed by the Chairman of the meeting.

Corporate Governance Overview Statement
(cont'd)

Supply of Information

The Board is provided with the agenda and board papers prior to Board Meetings with sufficient time to enable the Board to solicit further explanations and/or information, where necessary, to enable them to discharge their duties.

The board papers provided include inter alia, financial results, business plan and budget, status of major projects, minutes of meetings of Board/ Board Committees, circulars from Bursa Malaysia Securities Berhad ("Bursa Securities"), announcements made to Bursa Securities, Directors' resolution in writing that had been passed and other major operational and financial issues for the Board's information and/or approval.

All Directors have access to the advices and services of the Company Secretary and all information in relation to the Group whether as a full Board or in their individual capacity to assist them in discharging their duties. The Board or the individual Director may seek independent advice from independent professional advisers at the Group's expense, if necessary in accordance to the prescribed policy.

Directors' Training

The Group acknowledges that continuous education is vital for the Board members to gain insight into the state of economy, technological advances, regulatory updates and management strategies. The Directors are encouraged to attend continuous education programmes to further enhance their skills and knowledge, where relevant. New directors appointed are required to attend the Mandatory Accreditation Programme pursuant to the Listing Requirements of Bursa Securities and will be briefed by Management on the operations and policies of the Company to familiarise themselves with the Company's business.

During the financial year ended 31 December 2021, the Directors have individually or collectively attended the following courses / seminar set out below:-

Director	Mode of Training	Title of Training	Duration of Training
Tan Sri Datuk Hussin Bin Haji Ismail	Seminar	Malaysian Code on Corporate Governance 2021	0.5 day
Ang Lam Poah	Webinar Seminar	Sustainability & Corporate Liability Malaysian Code on Corporate Governance 2021	0.5 day 0.5 day
Dato' Razali Merican Bin Naina Merican	Webinar Seminar	Sustainability & Corporate Liability Malaysian Code on Corporate Governance 2021	0.5 day 0.5 day
Ang Lam Aik	Seminar	Malaysian Code on Corporate Governance 2021	0.5 day
Dato' Azman Bin Mahmood	Webinar Webinar Seminar	Establishing Anti Bribery Policy Ethics & Integrity Malaysian Code on Corporate Governance 2021	1 day 1 day 0.5 day
Liew Jee Min @ Chong Jee Min	Webinar	Trading Equity Index Futures (FKLI & FM70) Using Technical Analysis	0.5 day
	Webinar	Sustainability & Corporate Liability	0.5 day
	Webinar	Career and Trading Opportunities in Derivatives Market	0.5 day
	Webinar	Corporate Liability: S17A of the MACC Act – The Ultimate "Vaccine" for Corruption in Private Sector	0.5 day
	Webinar	Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries, Issued by Sc, Analysis of Corporate Governance Monitor 2019 & 2022 and Malaysian Code on Corporate Governance (Revised)	0.5 day
	Webinar	Implementing ESG practives in the Organisation	0.5 day
	Seminar	Malaysian Code on Corporate Governance 2021	0.5 day

Corporate Governance Overview Statement
(cont'd)

Director	Mode of Training	Title of Training	Duration of Training
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar	Seminar	Malaysian Code on Corporate Governance 2021	0.5 day
Khor Hun Nee	Webinar	Sustainability & Corporate Liability	0.5 day
	Webinar	Corporate Fraud – Looking Beyond the Boardroom	0.5 day
	Webinar	How Do We Consider Opportunity When We Manage Risk?	0.5 day
	Webinar	BoardRoom ESG Reporting Health Check	0.5 day
	Webinar	The Healthy Board from Malaysian Alliance of Corporate Directors	0.5 day
	Seminar	Malaysian Code on Corporate Governance 2021	0.5 day

Appointments and Re-election of Directors

In accordance with the Company's Constitution, all Directors who are appointed by the Board shall hold office only until the next annual general meeting after their appointment and shall then be eligible for re-election. The Articles also provide that at least one-third of the remaining Directors be subject to retirement by rotation at each annual general meeting provided always that all Directors including the CEO shall retire from office at least once every three years but shall be eligible for re-election.

The Board has empowered the Nomination Committee to consider and make their recommendation to the Board for the continuation in service of those Directors who are due for retirement and recommendation of new Directors, if required to enhance the composition of the Board. The Nomination Committee will recommend candidates for all directorships to be filled to the Board. The Nomination Committee also review the composition of the Board to ensure that the Board has the required mix of skills, expertise, attributes and core competencies to discharge their duties efficiently and effectively.

Sustainability

The responsibility of governance of sustainability in the Group is overseen by the Board and the Sustainability Committee comprising an Independent Director (who is also the Chair) and two Executive Directors. The Sustainability Committee is tasked with integrating sustainability considerations in the day-to-day operations of the Group and ensuring the effective implementation of the Group's sustainability strategies and plans. The Group has developed its sustainability strategy across the top management till every operational level from the economic, environmental and social perspectives.

The Group's sustainability strategies, priorities as well as targets and performance against these targets are communicated to the internal and external stakeholders. The Group uses various communication channels with our stakeholders, which include conventional and electronic documents, web-based media platforms and face-to-face communications to identify and address sustainability concerns towards our business operations and sustainability performance.

The Board has sufficient understanding and knowledge of the sustainability issues that are relevant to the Group and its business, to discharge its role effectively. The Group had prioritized and focused on sustainability journey in business operations and areas relevant to them following the emergence of COVID-19 crisis in 2020 that elevated sustainability importance and increased scrutiny on how the Group manages and responds to the immediate impact of the crisis. The materiality assessment in FY2021 reflects the changes to our business and the external environment. These sustainability material matters are reviewed with our top key Senior Management taking into consideration the business environment on the Group's operations and risk areas, covering various internal and external exposures, as well as the degree of impact each sustainability matter has on The Group. The sustainability risks and opportunities are also assessed before major decisions are made by the Board. The Board has included the performance evaluation of the Board and Sustainability Committee on the progress against the achievement of sustainability targets during FY2021. The Board will identify its professional development needs in the new financial year concerning sustainability and ensure these are addressed.

Corporate Governance Overview Statement
(cont'd)

iii. DIRECTORS' REMUNERATION

Level and Make-up

The Company has adopted the objective as recommended by the Code to determine the remuneration of the Directors so as to ensure that the Company attracts and retains the Directors needed to run the Group successfully. The component parts are designed to link rewards to corporate and individual performance in the case of Executive Directors. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the individual Non-Executive Director concerned.

Procedure

The Remuneration Committee recommends for the Board's approval on all elements of remuneration and terms of employment for Executive Directors with the Director concerned abstaining from deliberations and voting on decisions in respect of his remuneration package. The Remuneration Committee met twice during the financial year 2021 to review the proposed Directors' fees, increments of the meeting allowance and also on the allocation of the LTIP options.

The Directors' fees and meeting allowances are determined by the Board as a whole, subject to the approval of shareholders.

Details of Remuneration

Details of the remuneration received by the Directors from the Group and Company for the financial year ended 31 December 2021 are set out below.

The aggregate remuneration paid/payable to all Directors of the Company are further categorised into the following components.

	Group/Company				
Directors	Fees (RM)	Salaries & Bonus (RM)	EPF & SOCSO (RM)	Benefit-in-kind/ Allowances (RM)	Total (RM)
Tan Sri Datuk Hussin Bin Haji Ismail	96,000	-	-	32,000	128,000
Ang Lam Poah	-	1,980,000	234,923	40,700	2,255,623
Dato' Razali Merican Bin Naina Merican	-	956,000	113,243	40,700	1,109,943
Ang Lam Aik	-	345,000	39,923	30,900	415,823
Dato' Azman Bin Mahmood	96,000	-	-	29,000	125,000
Liew Jee Min @ Chong Jee Min	96,000	-	-	26,000	122,000
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar	96,000	-	-	32,500	128,500
Khor Hun Nee	96,000	-	-	30,500	126,500

Remuneration paid to the top five (5) Senior Management of JAKS Group for the financial year ended 31 December 2021 was RM2,637,716. The remuneration of the top five (5) Senior Management of the JAKS Group is disclosed on an aggregate basis. At this particular juncture, the Board is of the opinion that the disclosure of the Senior Management personnel' names and the remuneration in bands of RM50,000 would not be in the best interest of the Group due to confidentiality and security concerns.

Corporate Governance Overview Statement
(cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

i. Financial Reporting

In presenting the annual financial statements and quarterly announcements of its results, the Board of Directors has ensured that the financial statements represent a true and fair assessment of the Company and Group's financial position.

ii. Internal Control and Risk Management

The Board acknowledges its responsibility for establishing a sound system of internal control to safeguard shareholders' investment and Group's assets and to provide assurance on the reliability of the financial statements.

While the internal control system is devised to cater for particular needs of the Group, such controls by their nature can only provide reasonable assurance but not absolute assurance against material misstatement or loss. A Statement on Risk Management and Internal Control is set out on pages 56 to 58.

iii. Relationship with Auditors

The Company maintains a transparent relationship with the auditors in seeking their professional advice and towards ensuring compliance with the accounting standards.

iv. Directors' Responsibility Statement

The Board is responsible to ensure that the financial statements are properly drawn up in accordance with the provisions of the Companies Act 2016 and approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group as at the end of the financial year and of the results and cash flows of the Group for the financial year then ended.

The Directors are satisfied that in preparing the financial statements of the Group for the year ended 31 December 2021, the Group has adopted suitable accounting policies and applied them consistently, prudently and reasonably. The Directors also consider that all applicable approved accounting standards have been followed in the preparation of financial statements. The financial statements have been prepared on the going concern basis.

The Directors are responsible for ensuring that the Group keeps sufficient accounting records to disclose the financial position of the Group with reasonable accuracy and ensure that the financial statements are comply with the Companies Act 2016.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

The Board believes that it is important to maintain open and constructive relationship with all of our stakeholders – large and small, institutional and private. The Chairman, supported by the Management, has overall responsibility for ensuring that the Group listens to and effectively communicates with our stakeholders.

The Investor Relations function headed by the CEO, facilitates communication between the Group and the investment community, with the Management's support. Pertinent matters that may concern stakeholders include strategic developments, financial results and material business matters affecting the Group.

The Investor Relations function holds regular meetings, conference calls and site visits with investors, intended to keep the investment community abreast of the Group's operations, strategic developments and financial performance.

Every quarter, the Investor Relations function provides the investment community with an up-to-date view of the Group's financial performance and operations via analyst briefing sessions which coincides with the release of the Group's quarterly financial results on Bursa Malaysia Securities Berhad.

Corporate Governance Overview Statement
(cont'd)

The Group maintains a comprehensive website which includes an up-to-date investor centre to communicate with stakeholders. Regular news, announcements, share price updates, investor presentations, events and other relevant information are posted on the website. Shareholders are also welcomed to raise queries by contracting the Group at any time throughout the year. The contract information is available at the Contact Us section of the Group's website at http://www.jaks.com.my/.

The Annual General Meeting ("AGM") provides a platform for the Chairman and CEO to share how the Group has performed during the year.

It provides all shareholders with the opportunity to put forward questions to the Chairman of the Board, the chairman of the Audit, Nomination, Remuneration, Risk Management and Sustainability Committee.

At these meetings, e-polling is conducted on each resolution. Shareholders also have the opportunity to cast their votes by proxy in advance of the meeting. Following the AGM, results of the polls are published on the Group's website and released to Bursa Securities.

v. ADDITIONAL COMPLIANCE INFORMATION

a. Audit and Non-audit Fees

The amount of audit and non-audit fees payable to Messrs UHY for services rendered for the financial year 2021 is as follows:

	Audit fees (RM)	Non-Audit fees (RM)
Company level	82,000	43,000
Group level	272,647	43,000

b. Material Contract

There was no material contract entered into by the Company and/or its subsidiary companies which involves Directors' and Major Shareholders' interest during the financial year ended 31 December 2021.

c. Employee Share Scheme

The Company has in 2016 implemented a Long Term Incentive Plan ("LTIP") comprising the Employee Share Option Scheme ("ESOS") and Share Grant Plan ("SGP").

(i) Movement in the share options and shares granted during the year

The Company issued 71,800,000 share options during the financial year 2021 at an exercise price of RM0.538 per new ordinary share of the Company ("JRB Shares"). None of the share options issued were exercised and as at 31 December 2021, there were 87,473,619 share options still outstanding.

(ii) The share options and shares granted to Directors during the year

Name	No. of share options granted in 2021	Amount of options exercised	Balance of share options outstanding
Ang Lam Poah	15,000,000	-	15,000,000
Dato' Razali Merican Bin Naina Merican	10,000,000	-	10,000,000
Ang Lam Aik	8,000,000	-	9,414,587
Tan Sri Datuk Hussin Bin Haji Ismail	1,000,000	-	1,000,000
Dato' Azman Bin Mahmood	1,000,000	-	1,000,000
Liew Jee Min @ Chong Jee Min	1,000,000	-	1,000,000

Corporate Governance Overview Statement
(cont'd)

(iii) The maximum number of JRB Shares allocated to Directors and Senior Management who, either singly or collectively through persons connected with them, holds twenty per centum (20%) or more in the issued and paid-up share capital (excluding treasury shares) of the Company, shall not exceed ten per centum (10%) of the total number of JRB Shares to be allocated under the LTIP. The actual percentage granted to them during the financial year 2021 was 4.06%.

(iv) The breakdown of the options offered to and exercised by, or shares granted and vested in non-executive directors pursuant to the LTIP in respect of financial year 2021 was as follows:

Name	Amount of options	Amount of exercised
Tan Sri Datuk Hussin Bin Haji Ismail	1,000,000	-
Dato' Azman Bin Mahmood	1,000,000	-
Liew Jee Min @ Chong Jee Min	1,000,000	-

d. Utilisation of Proceeds

The Company undertook a renounceable rights issue of new ordinary shares together with free detachable warrants ("Rights Issue with Warrants") issue in 2020. The Rights Issue with Warrants raised proceeds of RM237.62 million.

The status of utilisation of proceeds as at 31 March 2022 is as follows:

Proposed utilisation of proceeds	Proceed raised RM'000	Utilised as at 31.03.2022 RM'000	Timeframe for utilisation
Subscription of additional 30.00 million ordinary shares of USD1.00 each in JPP	128,400	128,400	Within 6 months
Future business project or investments	48,366	48,366	Within 36 months
Partial repayment of borrowings	31,581	31,581	Within 24 months
Preliminary expenses in relation to venture into new construction projects in Vietnam	10,000	-	Within 36 months
Working capital requirements	13,675	13,675	Within 36 months
Estimed expenses for the Proposed Rights Issue with Warrants	5,600	5,600	Immediate
	237,622	227,622	

The Company also undertook a private placement exercise and on 1 July 2021, 272,667,000 Ordinary Shares were issued raising a total proceeds of approximately RM129.52 million.

The status of utilisation of proceeds as at 31 March 2022 is as follows.

Proposed utilisation of proceeds	Proceed raised RM'000	Utilised as at 31.03.2022 RM'000	Timeframe for utilisation
(i) Solar project	50,000	43,626	Within 24 months
(ii) Working capital requirements	47,077	47,077	Within 12 months
(iii) Capital expenditure for Evolve Concept Mall	5,000	3,500	Within 24 months
(iv) Acquisitions	22,405	12,000	Within 24 months
(v) Estimated expenses for the Private Placement	5,035	5,035	Immediate
	129,517	111,238	

BOARD COMMITTEES REPORT

A. AUDIT COMMITTEE REPORT

a. Members

The Audit Committee consists exclusively of Independent Non-Executive Director of the following members:

Chairman	**Dato' Azman Bin Mahmood**
Members	**Liew Jee Min @ Chong Jee Min**
	Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar
	Khor Hun Nee
	Tan Sri Datuk Hussin Bin Haji Ismail (Vacated on 30 November 2021)

b. Functions and Responsibilities

The key functions and responsibilities of the Audit Committee are:

- To consider the appointment of the External Auditor, the audit fee and any questions of resignation or dismissal;
- To discuss with the External Auditor before the audit commences, the nature and scope of the audit, and ensure coordination where more than one audit firm is involved;
- To review the quarterly and year-end financial statements of the Company, focusing particularly on:
  - Any changes in accounting policies and practices;
  - Significant adjustments arising from the audit;
  - The going concern assumption;
  - Compliance with accounting standards and other legal requirements.
- To discuss problems and reservations arising from the interim and final audits, and any matter the External Auditor may wish to discuss (in the absence of management where necessary);
- To review the External Auditors' management letter and management's response;
- To consider any related party transactions that may arise within the Company or the Group;
- To consider the major findings of internal investigations and Management's response;
- To do the following in relation to the internal audit function:
  - Identify the head of internal audit;
  - Review the adequacy of the scope, functions, competency and resources of the internal audit function and the necessary authority to carry out its work;
  - Review the internal audit programme and results of the internal audit programme and the results of the internal audit process and where necessary ensure that appropriate actions taken on the recommendations of the internal audit function;
  - Review any appraisal or assessment of the performance of members of the outsourced Internal Audit services provider;
  - Approve any appointment or termination of senior staff members of the outsourced Internal Audit services provider; and
  - To consider other topics as defined by the Board.

Board Committees Report
(cont'd)

c. Summary of Activities of Audit Committee for the financial year ended 31 December 2021

The Audit Committee held four meetings during the financial year ended 31 December 2021.

The attendance record for the financial year ended 31 December 2021 of each member of the Audit Committee is shown in the table below:

Audit Committee Members	Meeting Attendance	
	No of meetings attended	Percentage of attendance %
Dato' Azman Bin Mahmood	4/4	100
Liew Jee Min @ Chong Jee Min	4/4	100
Tan Sri Datuk Hussin Bin Haji Ismail	4/4	100
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar	4/4	100
Khor Hun Nee	4/4	100

The minutes of each Audit Committee Meeting were distributed to the Board members at the subsequent Board Meeting. The Audit Committee Chairman will inform the Directors at Board Meetings, matters and recommendations which the Audit Committee' view ought to be highlighted to the Board.

For the financial year ended 31 December 2021, the Audit Committee:

i. Reviewed the quarterly results and Audited Financial Statements;
ii. Reviewed the internal audit report tabled by outsourced Internal Auditors;
iii. Reviewed the Audit Review Memorandum and discussed with External Auditors on their findings;
iv. Reviewed the Statement on Risk Management & Internal Control and Audit Committee Report prior to the Board's approval for inclusion in the Annual Report;
v. Reviewed the Audit Planning Memorandum for the financial year ended 31 December 2021;
vi. Reviewed the performance of outsourced Internal Auditors;
vii. Reviewed the performance of External Auditors; and
viii. Recommended the External Auditors' fees and re-appointment of External Auditors.
ix. During the year, there was no instances where the AC members were required to call a special meeting to investigate areas of corruption, bribery or misconduct nor received whistleblower report.

d. Internal Audit Function.

The Group's internal audit function, which reports directly to the Audit Committee, is outsourced to an independent professional firm namely Tricor Axcelasia Sdn Bhd ("Outsourced Internal Auditor").

The Outsourced Internal Auditor serves to assist the Audit Committee by independently evaluating and improving the effectiveness of the system of internal control. The internal audit was conducted using a risk-based approach and was guided by the International Professional Practices Framework ("IPPF") which was issued by the Global Institute of the International Auditors.

Besides assessing the internal control systems, organisational governances and risk management capability were also assessed and embedded into the respective audit focus areas. The internal audit assessment has included relevant root-cause analysis results, where applicable has been incorporated in the respective internal audit findings.

The Engagement Executive Director of the Outsourced Internal Auditor, Ms Melissa Koay has diverse professional experience in internal audit, risk management and corporate governance advisory. She is a Chartered Member of the Institute of Internal Auditors Malaysia, a member of the Malaysian Institute of Accountants and a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom. Ms Melissa Koay is also a Certified Internal Auditor.

Board Committees Report
(cont'd)

The number of staff deployed for the internal audit reviews is 5 staff per visit including the Engagement Executive Director. The staff involved in the internal audit reviews possess professional qualifications and/or a university degree and some are members of the Institute of Internal Auditors Malaysia. The internal audit staffs on the engagement are free from any relationships or conflict of interest, which could impair their objectivity and independence.

During the financial year under review, the activities carried out by the internal audit function are as follows:

(a) Carried out internal audits in accordance with the approved risk based internal audit plan by the Audit Committee.

(b) Presented the Internal Audit Reports to the Audit Committee highlighting audit findings, recommendations to improve and management responses.

(c) Performed follow up review on these findings and updated the status to the Audit Committee;

During the financial year, the entities and business processes reviewed were as follows:

Entity	Business Processes
JAKS Group	Credit Control and Collection Security Management
JAKS Sdn Bhd	Business Development Project Management

Findings from the internal audit reviews conducted were discussed with Senior Management and subsequently presented, together with Management's responses and proposed action plans, to the Audit Committee for their review and notation. The outsourced internal audit function also carries out follow up reviews and reports to the Audit Committee on the status of implementation of action plans by Management pursuant to the recommendations highlighted in the internal audit reports.

The total cost incurred for the outsourcing of the internal audit function for the financial year 31 December 2021 was RM50,681.

Board Committees Report
(cont'd)

B. NOMINATION COMMITTEE REPORT

a. Members

The Nomination Committee comprises exclusively of Independent Non-Executive Directors. The Chief Executive Officer ("CEO") attends the meeting on the invitation of the Committee.

Chairman	**Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar**
Members	**Liew Jee Min @ Chong Jee Min**
	Khor Hun Nee (Appointed on 30 November 2021)
	Tan Sri Datuk Hussin Bin Haji Ismail (Vacated on 30 November 2021)

b. Functions and Responsibilities

The key functions and responsibilities of the Nomination Committee are:

- To review regularly the Board structure, size and composition diversity in gender and make recommendations to the Board with regard to any adjustments that are deemed necessary.
- To review and recommend new nominees for appointment to the Board of Directors.
- To assess Directors on an on-going basis, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director.
- To recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board. In making its recommendations, the Committee should consider the candidates'
  - skills, knowledge, expertise and experience;
  - professionalism;
  - integrity; and
  - in the case of candidates for the position of independent non-executive directors, the Committee should also evaluate the candidates' ability to discharge such responsibilities/ functions as expected from independent non-executive directors.
- To consider, in making its recommendations, candidates for directorships proposed by the CEO and, within the bounds of practicability, by any other senior executive or any director or shareholder.
- To recommend to the Board, Directors to fill the seats on Board Committees.
- To review annually the Board's mix of skills and experience and other qualities including core competencies which non-executive Directors should bring to the Board. This should be disclosed in the Annual Report.
- To recommend to the Board for continuation (or not) in service of executive Director(s) and Directors who are due for retirement by rotation.
- On invitation of Chairman or the Board, recommend to the Board for continuation (or not) in service of executive Directors(s) and Directors who are due for retirement by rotation.
- To orient and educate new Directors as the nature of the business, current issues within the Company and the corporate strategy, the expectations of the Company concerning input from the Directors and the general responsibilities of Directors.

Board Committees Report
(cont'd)

c. Summary of Activities of Nomination Committee for the financial year ended 31 December 2021

The Nomination Committee met once during the financial year ended 31 December 2021. For the financial year ended 31 December 2021, the following activities were carried out by the Nomination Committee:

i. Reviewed the size and composition of the Board and Board Committees;
ii. Reviewed the mix of skill and experience and other qualities of the Board;
iii. Assessed the effectiveness of the Board as a whole, the Board Committees and the Directors;
iv. Discussed and recommended the re-election of retiring Directors;
v. Reviewed the term of office and performance of the Board Committee and each of its members and concluded that the Board Committee members have carried out their duties in accordance with their terms of reference;
vi. Assessed and confirmed the independence of the Independent Directors; and
vii. Discussed and recommended to the Board the retention of Independent Directors who have exceed a cumulative term of nine (9) years.

The Nomination Committee upon its annual assessment carried out for financial year 2021, was satisfied that:

- The size and composition of the Company Board is optimum with appropriate mix of knowledge skills, attribute and core competencies;
- The Board has been able to discharge its duties professionally and effectively;
- All the Directors continues to uphold the highest governance standards in discharging their duties and responsibilities;
- All the members of the Board are well qualified to hold their positions as Directors of the Company in view of their respective working experience, academic and professional qualifications, depth of knowledge, skills and experience and their personal qualities;
- The Independent Directors, namely Tan Sri Datuk Hussin Bin Haji Ismail, Dato' Azman Bin Mahmood, Mr Liew Jee Min @ Chong Jee Min, Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar and Ms Khor Hun Nee are demonstrably independent;
- The Directors are able to devote sufficient time commitment to their roles and responsibilities as evidenced by their attendance records;
- The Directors have received training during the financial year ended 31 December 2021 that is relevant and would serve to enhance their effectiveness in the Board; and
- On the assessment of long-serving Independent Directors who are subject to retention by shareholders, the Nomination Committee submits its recommendation for the proposed retention of Tan Sri Datuk Hussin Bin Haji Ismail, Mr Liew Jee Min @ Chong Jee Min and Dato' Azman Bin Mahmood as Independent Directors for another term based on the following:-

  - Compliance with prescriptive requirements by regulators;
  - Assessment of continued independence to ensure their ability to remain independent in their character and judgement, and without any conflicts of interest;
  - Participation in Board and Board Committee meetings;
  - Contribution to interaction;
  - Performance and quality of input;
  - Understanding of roles and responsibilities; and
  - Providing value to the Board through unique, in-depth knowledge, experience and expertise.

C. REMUNERATION COMMITTEE REPORT

a. Member

The Remuneration Committee comprises exclusively of Independent Non-Executive Directors. The Chief Executive Officer ("CEO") attends the meeting on the invitation of the Committee.

Chairman	**Liew Jee Min @ Chong Jee Min**
Members	**Dato' Azman Bin Mahmood**
	Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar
	Tan Sri Datuk Hussin Bin Haji Ismail (Vacated on 30 November 2021)

b. Function and Responsibilities

The Remuneration Committee shall ensure that the levels of remuneration are sufficient to attract and retain Directors of the quality required to manage the business of the Group. The Remuneration Committee is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of the Executive Directors, by linking their rewards to corporate and individual performance with the Director concerned abstaining from deliberations and voting on decisions in respect of his remuneration package. In the case of Non-Executive Directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned and is determined by the Board as a whole.

c. Summary of Activities of Remuneration Committee for the financial year ended 31 December 2021

The Remuneration Committee held two meeting during the financial year ended 31 December 2021.

The attendance record for the financial year ended 31 December 2021 of each member of the Remuneration Committee is shown in the table below:

Remuneration Committee Members	Meeting Attendance	
	No of meetings attended	Percentage of attendance
Liew Jee Min @ Chong Jee Min	2/2	100
Tan Sri Datuk Hussin Bin Haji Ismail	2/2	100
Dato' Azman Bin Mahmood	2/2	100
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar	2/2	100

The Remuneration Committee carried out the following activities for the financial year ended 31 December 2021:

i. Reviewed directors' fees for financial year ended 31 December 2021;
ii. Reviewed meeting allowance per meeting for attendance of each director; and
iii. Reviewed the share award under the Long Term Incentive Plan to be awarded to Directors and key management staff.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The Board of Directors of JAKS Resources Berhad ("JAKS") is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 December 2021 which has been prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ('the Guidelines"). This statement outlines the nature and state of the risk management and internal control of the Group during the financial year.

Board Responsibility

The Board acknowledges its responsibility for maintaining a sound and effective systems of risk management and internal controls and for reviewing the adequacy and integrity of the said systems to ensure shareholders' interests and the Group's assets are safeguarded. These responsibilities have been delegated to the Audit Committee, which is empowered by its terms of reference to seek the assurance on the adequacy and effectiveness of the Group's internal controls system through independent reviews conducted by the internal audit function and the annual statutory audits conducted by the external auditors. The Audit Committee reports significant controls matters to the Board at their scheduled meetings.

However, as there are inherent limitations in any system of risk management and internal control, such system can only manage rather than eliminate all possible risks that may impede the achievement of the Group's business objectives or goals. Therefore, the system can only provide reasonable and not absolute assurance against material misstatements or losses.

Risk Management Framework

In pursue of the Group's continuous commitment in optimising shareholders' value, risk management activities carried out across the Group are guided by the enhanced Enterprise Risk Management ("ERM") Framework. The design of the ERM Framework is guided by ISO 31000, which outlines the risk governance and structure, risk management policies, risk management process and integration of risk management into significant activities and functions. Periodic review is performed on the ERM Framework and the relevant updates are made where necessary.

The risk assessment process provides an integrated and structured approach in identifying, evaluating and managing significant risks that may affect the achievement of the Group's business objectives. It promotes risk ownership and continuous monitoring of significant risks identified by way of assigning accountabilities to the respective Heads of Department and key management staffs. Significant risks identified are maintained in a formal database of risks and controls information i.e., risk registers, which captures the possible root causes, existing key controls and impact. The risks are then assessed on the likelihood of occurrence and criticality of impact with the rating of either low, medium, high or extreme.

A Risk Management Committee ("RMC") which consists of Senior Management and selected Heads of Department have the responsibilities to monitor the risk policy implementation, provide risk education to all staff, ensure accountability of risks identified are assigned and facilitate the risk reporting to the Board.

The above-mentioned risk management practices of the Group serve as the on-going process used to identify, evaluate and managed significant risks of the Group for the year under review and up to the date of approval of this Statement. The Board shall continue to evaluate the Group's risk management process to ensure it remains relevant to the Group's requirements.

Internal Audit Function

The Group's Internal Audit Function assists the Board and Audit Committee by providing an independent assessment of the adequacy and effectiveness of the Group's internal control system. Further details of the Internal Audit Function are set out in the Audit Committee Report on pages 50 to 52 of this Annual Report.

Statement On Risk Management And Internal Control
(cont'd)

Others Key Elements of Internal Control

The other key elements of the Group's internal control systems are described below:

- An organisational structure with clearly defined lines responsibility, accountability, and proper segregation of duties.

- Written operational policies and procedures that are established and regularly reviewed and updated to ensure that it maintains its effectiveness and continues to support the Group's business activities as the Group's grows.

- Human resource policies encompassing areas of recruitment, training and development, health and safety, staff performance, appraisal and succession planning with the objective to enhance staff integrity and the development of professionalism and competency of employees in the Group.

- Quality management in the form of policies and objectives as outlined in the Quality Manual issued by the Chief Executive Officer. The Management Review Team periodically reviews this quality management process that is implemented throughout the financial year.

- Monitoring of results by the senior management team on a monthly basis where appropriate management action will be undertaken to address deviations. The Chief Executive Officer also reviews the management accounts covering financial performance, key business indicators on a quarterly basis and the cash flow position on a regular basis.

- Executive Directors are actively involved in the running of the business and operations of the Group and they report to the Board on significant changes in the business and external environment, which affect the operations of the Group.

- The Group's risk management process, internal audit process and internal control system do not apply to jointly controlled operations and joint ventures where the Group does not have full management control. The Group's interest in these jointly controlled operations are closely monitored through periodic receipt of the operations management accounts and representation in the jointly controlled operations' Board.

- A set of Code of Ethics and Code of Conduct setting out expected ethical standards and code of conduct has been established, which is binding on all employees in the Group, and is available in our official website.

- The Group adopted Anti-Bribery & Anti-Corruption Policy & Guidelines and the Board has reviewed and approved the Policy on acts of anti-bribery and anti-corruption policy & guidelines, which provides the specific procedures or instructions regarding the appropriate actions needed to prohibit bribery and corruption in the business conduct within the Group.

- A whistleblowing policy & guidelines have been established to provide an avenue for whistle-blowers to communicate their concerns on matters of integrity in a confidential manner.

Statement On Risk Management And Internal Control
(cont'd)

Review of the Statement by External Auditors

As required by Paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control to the scope set out in the Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants for inclusion in the Annual Report for the Group for the year ended 31 December 2021, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects:

(a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; or

(b) is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and Management thereon. The Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

Conclusion

At a meeting held on 27 April 2022, the Board obtained assurance from the Chief Executive Officer and Chief Financial Officer that the Group's risk management and internal controls systems are operating adequately and effectively in all material respects.

The Board is of the view that the risk management and internal control system is satisfactory and have not resulted in any material losses or contingencies that would require disclosure in the Group's annual report. The Board shall continue to take the pertinent measures to improve the Group's risk management and internal control in meeting the Group's corporate objectives.

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board of Directors dated 27 April 2022.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors of JAKS Resources Berhad have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2021.

Principal Activities

The principal activities of the Company are those of investment holding and general contractor. The principal activities of the subsidiary companies are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

Financial Results

The results of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
Profit for the financial year	29,749,184	86,091,913
Attributable to:		
Owners of the parent	51,759,460	
Non-controlling interests	(22,010,276)	
	29,749,184	

In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any items, transactions or events of a material and unusual nature other than the changes in accounting policies as disclosed in Note 2(a) to the financial statements and significant events during the financial year as disclosed in Note 42 to the financial statements.

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend payment in respect of the current financial year.

Issue of Shares and Debentures

During the financial year, the Company issued:

(a) 14,484,000 new ordinary shares at an exercise price of RM0.49 each pursuant to the exercise of Warrant C 2020/2025; and

(b) 272,667,000 placement shares at an issue price of RM0.475 each under Private Placement.

The new ordinary shares issued during the financial year shall rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

Directors' Report
(cont'd)

Share Options

Long Term Incentive Plan ("LTIP")

On 28 June 2016, the shareholders of the Company have at Extraordinary General Meeting approved the establishment of a LTIP of up to fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares) at any one time for the Directors and employees of the Group and of the Company. The Group's LTIP comprises of the Share Option Plan ("SOP") and Share Grant Plan ("SGP") for its employees.

The salient features and other terms of the LTIP are disclosed in the Note 32 to the financial statements.

As at 31 December 2021, the options offered to take up unissued ordinary shares and the exercise price are as follows:

		Number of options over ordinary shares				
Date of offer	Exercise price	At 1.1.2021	Granted	Exercised	Lapsed	At 31.12.2021
24 May 2017	0.75	15,673,619	-	-	-	15,673,619
24 May 2021	0.538	-	71,800,000	-	-	71,800,000
		15,673,619	71,800,000	-	-	87,473,619

Warrant B 2018/2023

On 13 December 2018, the Company allotted and issued 102,428,430 Warrant B 2018/2023 ("Warrants") at an issue price of RM0.25 each on the basis of 1 Warrant for every 2 existing ordinary shares held in the Company.

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 13 December 2023. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 13 December 2018 to 13 December 2023, at an exercise price of RM0.64 per Warrant in accordance with the Deed Poll dated 5 November 2018. Any Warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

There were no movements in the Company's Warrant B 2018/2023 during the financial year. As at 31 December 2021, 171,488,238 warrants remained unexercised.

In the previous financial year, the exercise price and the number of Warrant B 2018/2023 have been adjusted in accordance with the provisions of the Deed Poll as a result of the Rights Issue. The exercise price was adjusted from RM0.64 to RM0.34.

Warrant C 2020/2025

On 19 November 2020, the Company issued 540,050,650 free warrants pursuant to the Rights Issue on the basis of one (1) free warrant for every two (2) Rights Shares subscribed by the entitled shareholders of the Company.

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 18 November 2025. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 19 November 2020 to 18 November 2025, at an exercise price of RM0.49 per warrant in accordance with the Deed Poll dated 13 October 2020. Any warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

During the financial year, 14,484,000 warrants were exercised at the exercise price of RM0.49 each. As at 31 December 2021, 525,564,900 warrants remained unexercised.

In the previous financial year, 1,750 warrants were exercised at the exercise price of RM0.49 each. As at 31 December 2020, 540,048,900 warrants remained unexercised.

Directors' Report
(cont'd)

Directors

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are :

Ang Lam Aik
Ang Lam Poah*
Dato' Azman Bin Mahmood
Dato' Razali Merican Bin Naina Merican*
Liew Jee Min @ Chong Jee Min
Tan Sri Datuk Hussin Bin Ismail
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar
Khor Hun Nee

The Directors who held office in the subsidiary companies (excluding Directors who are also Directors of the Company) during the financial year and during the period from the end of the financial year to the date of this report:

Datuk Ang Ken Seng
Chen Cheong Fat
Goh Theow Hiang
Rasli Bin Musamah
Noor Azhan Rizaluddin Bin Jamian
Kevin Lee Shih Min
Ungku Shaharud Zaman Shah Bin Ungku Nazaruddin
Zaid Bin Kadershah
Haris Fadzilah Bin Abdullah
Lim Tiong Jin (Appointed on 22.10.2021)

* *Director of the Company and of its subsidiary companies*

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part thereof.

Directors' Interests In Shares

The interests and deemed interests in the shares, options over ordinary shares and Warrants of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouse or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2021	**Acquired**	**Disposed**	**At 31.12.2021**
JAKS Resources Berhad				
Direct Interests				
Ang Lam Poah	265,065,356	-	-	265,065,356
Dato' Razali Merican Bin Naina Merican	4,030,000	-	-	4,030,000

Directors' Report
(cont'd)

Directors' Interests In Shares (cont'd)

	Number of options over ordinary shares				
	At 1.1.2021	Granted	Exercised	Lapsed	At 31.12.2021
JAKS Resources Berhad					
Direct interests					
Ang Lam Poah	-	15,000,000	-	-	15,000,000
Dato' Razali Merican Bin Naina Merican	-	10,000,000	-	-	10,000,000
Ang Lam Aik	1,414,587	8,000,000	-	-	9,414,587
Tan Sri Datuk Hussin Bin Haji Ismail	-	1,000,000	-	-	1,000,000
Dato' Azman Bin Mahmood	-	1,000,000	-	-	1,000,000
Liew Jee Min @ Chong Jee Min	-	1,000,000	-	-	1,000,000
	1,414,587	36,000,000	-	-	37,414,587

	Number of Warrant B 2018/2023			
	At 1.1.2021	Acquired	Exercised	At 31.12.2021
JAKS Resources Berhad				
Direct Interests				
Ang Lam Poah	47,082,018	-	-	47,082,018
Dato' Razali Merican Bin Naina Merican	1,469,710	-	-	1,469,710
Indirect Interests				
Dato' Razali Merican Bin Naina Merican (#)	5,215,100	-	-	5,215,100

	Number of Warrant C 2020/2025			
	At 1.1.2021	Acquired	Exercised	At 31.12.2021
JAKS Resources Berhad				
Direct Interests				
Ang Lam Poah	81,737,647	-	-	81,737,647
Dato' Razali Merican Bin Naina Merican	1,240,000	-	-	1,240,000

(#) Deemed interest by virtue of his shareholdings in Original Invention Sdn. Bhd..

None of the other Directors in office at the end of the financial year had any interests in shares in the Company and its related corporations during the financial year.

Directors' Benefits

Since the end of the previous financial year, none of the Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown in Notes 29 and 33 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for those disclosed in Note 35(b) to the financial statements.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than shares granted to certain Directors pursuant to the Company's LTIP as disclosed under Directors' Interests.

Directors' Report
(cont'd)

Indemnity and Insurance Costs

During the financial year, the Directors and Officers of JAKS Resources Berhad, together with its subsidiary companies, are covered under the Directors' and Officers' Liability Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and Officers of the Group subject to the terms of the policy. The total amount of Directors' and Officers' Liability Insurance effected for the Directors and Officers of the Group was RM5,000,000. The total amount of premium paid for the Directors' and Officers' Liability Insurance by the Group and the Company was RM30,000. There were no indemnity and insurance costs effected for auditors of the Company during the financial year.

Other Statutory Information

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

  (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all know bad debts had been written off and that adequate allowance had been made for doubtful debts; and

  (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

  (i) which would render the amount written off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

  (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

  (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or

  (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

  (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

  (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year except as disclosed in the financial statements.

Directors' Report
(cont'd)

Other Statutory Information (cont'd)

(d) In the opinion of the Directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations when they fall due;

(ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except as disclosed in the notes to financial statements; and

(iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Subsidiary Companies

The details of the subsidiary companies are disclosed in Note 7 to the financial statements.

Significant Event

The details of the significant event are disclosed in Note 42 to the financial statements.

Auditors

The auditors, UHY have indicated their willingness to continue in office.

Auditors' Remuneration

The amount paid as remuneration of the auditors for the financial year ended 31 December 2021 is as disclosed in Note 29 to the financial statements.

Signed on behalf of the Board, as approved by the Board in accordance with a resolution of the Directors,

………………………………………………………………

ANG LAM POAH

………………………………………………………………

DATO' RAZALI MERICAN BIN NAINA MERICAN

KUALA LUMPUR
27 April 2022

STATEMENT BY DIRECTORS

The Directors of JAKS Resources Berhad stated that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2021 and of the financial performance and the cash flows of the Group and of the Company for the financial ended on that date.

Signed in accordance with a resolution of the Directors,

……………………………………………..….............
ANG LAM POAH

……………………………………………..….............
DATO' RAZALI MERICAN BIN NAINA MERICAN

KUALA LUMPUR
27 April 2022

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE
FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, Lim Tiong Jin (MIA Membership No: 16286), the officer primarily responsible for the financial management of JAKS Resources Berhad, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

……………………………………………..….............
LIM TIONG JIN

Subscribed and solemnly declared by
the abovenamed Lim Tiong Jin at
Kuala Lumpur in the Federal Territory, this 27 April 2022

Before me,

No. W790
ZAINUL ABIDIN BIN AHMAD
……………………………………………..….............
COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF JAKS RESOURCES BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JAKS Resources Berhad, which comprise the statements of financial position as at 31 December 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 72 to 161.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and 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.

Independent Auditors' Report

To The Members Of JAKS Resources Berhad
(cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue and cost recognition on construction contracts Construction contracts is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation by reference to the costs incurred to date as a percentage of the estimated total costs of the project. In making the estimate, management relies on opinion / service of experts, past experience and the continuous monitoring mechanism. Refer to "Significant Accounting Policies" in Note 3(k), (l), (m) & (r), "Significant Accounting Judgements, Estimates and Assumptions" in Note 2(c), "Contract Assets" in Note 14 and "Revenue" in Note 27.	Our audit procedures included, among others: • Challenged the assumptions in deriving at the estimates of construction contract. This includes comparing the actual margins achieved of previous similar completed projects to estimates and compared the estimated costs to supporting documentation such as approved budgets, quotations, contracts and variation orders with sub-contractors. • Agreed a sample of costs incurred to date to relevant documents such as sub-contractor claim certificates, verified by the Group's and Company's internal quantity surveyor or the employers. • Reviewed management's workings on the computation of percentage-of-completion. • Assessed the adequacy and reasonableness of the disclosures in the financial statements.

Independent Auditors' Report

To The Members Of JAKS Resources Berhad (cont'd)

Key Audit Matters (cont'd)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill The Group's goodwill balance as at 31 December 2021 stood at RM52.5 million. Goodwill is subject to annual impairment testing. We focused on this area as the determination of recoverable amounts of cash-generating-unit ("CGU") based on value-in-use and fair value less costs of disposal approach by management involved a significant degree of judgement and assumptions. Refer to "Significant Accounting Policies" in Note 3(o)(i), "Significant Accounting Judgements, Estimates and Assumptions" in Note 2(c) and "Goodwill on consolidation" in Note 10.	Our audit procedures for recoverable amount of CGU that is valued at value-in-use include the following: • Assessed the reliability of management's forecast through the review of past trends of actual financial performances against previous forecasted results. • Assessed the key assumptions on which the cash flow projections are based, by amongst others, comparing them against business plans, historical results and market data. • Evaluated the appropriateness of the discount rate used to determine the present value of the cash flows and whether the rate used reflects the current market assessments of the time value of money and the risks specific to the asset. • Performed sensitivity analysis on key assumptions to evaluate impact on the impairment assessment. • Assessed the adequacy and reasonableness of the disclosures in the financial statements. Our audit procedures for recoverable amount of CGU that are valued at fair value less costs of disposal approach include the following: • Evaluated the objectivity, independence and expertise of the firm of independent valuers. • Obtained an understanding of the methodology adopted by the independent valuers in estimating the fair value of the properties and assessed whether such methodology is consistent with those used in the industry. • Had discussions with the independent valuer to obtain an understanding of the related market data used as input to the valuation models. • Evaluated the assumptions applied in estimating cost to sell taking into consideration actual cost incurred in sale of properties and marketing strategies.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report
To The Members Of JAKS Resources Berhad
(cont'd)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company'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 the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 statements.

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 financial statements of the Group and of the Company, 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 and of the Company's internal control.

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

- 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 or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company 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 auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report
To The Members Of JAKS Resources Berhad
(cont'd)

Auditors' Responsibility for the Audit of the Financial Statements (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)

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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

UHY
Firm Number: AF 1411
Chartered Accountants

LIM WAN YINN
Approved Number: 03262/04/2023 J
Chartered Accountant

KUALA LUMPUR
27 April 2022

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	104,213,827	102,807,349	85,583	122,384
Investment properties	5	606,138,064	623,177,344	-	-
Right-of-use assets	6	554,832	264,331	139,334	222,933
Investment in subsidiary companies	7	-	-	742,338,657	630,619,253
Investment in joint ventures	8	714,720,420	481,561,297	-	-
Goodwill on consolidation	10	52,500,000	76,135,992	-	-
Golf club memberships	11	302,630	310,525	-	-
		1,478,429,773	1,284,256,838	742,563,574	630,964,570
Current Assets					
Inventories	12	483,400	483,400	-	-
Trade receivables	13	225,527,833	251,402,184	-	2,100,000
Contract assets	14	207,776,199	276,709,479	-	-
Other receivables	15	118,763,419	130,420,384	371,623	2,609,680
Amount due from subsidiary companies	16	-	-	503,622,845	501,713,798
Amount due from joint ventures	17	10,270,206	10,588,402	-	-
Tax recoverable		74,003	74,003	-	-
Deposits placed with licensed banks	18	55,196,204	46,079,058	-	-
Cash and bank balances	19	88,719,352	128,503,161	38,944,971	93,403,765
		706,810,616	844,260,071	542,939,439	599,827,243
Total Assets		2,185,240,389	2,128,516,909	1,285,503,013	1,230,791,813
EQUITY					
Share capital	20	1,061,612,409	924,998,424	1,061,612,409	924,998,424
Reserves	21	279,132,175	218,950,833	126,633,351	39,900,640
Equity attributable to owners of the parent		1,340,744,584	1,143,949,257	1,188,245,760	964,899,064
Non-controlling interests		(39,308,619)	(16,416,438)	-	-
Total Equity		1,301,435,965	1,127,532,819	1,188,245,760	964,899,064
LIABILITIES					
Non-Current Liabilities					
Bank borrowings	22	305,951,303	318,812,493	-	-
Lease liabilities	23	257,112	129,722	48,777	129,722
Deferred tax liabilities	24	87,381	100,721	-	-
		306,295,796	319,042,936	48,777	129,722
Current Liabilities					
Trade payables	25	283,117,256	358,290,724	-	-
Other payables	26	216,689,460	240,645,820	32,171,256	50,555,184
Amount due to subsidiary companies	16	-	-	54,514,485	204,949,447
Bank borrowings	22	66,089,157	68,279,683	2,000,000	-
Lease liabilities	23	253,091	142,393	80,945	77,461
Tax payable		11,359,664	14,582,534	8,441,790	10,180,935
		577,508,628	681,941,154	97,208,476	265,763,027
Total Liabilities		883,804,424	1,000,984,090	97,257,253	265,892,749
Total Equity and Liabilities		2,185,240,389	2,128,516,909	1,285,503,013	1,230,791,813

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Revenue	27	108,144,819	250,970,270	194,280,000	213,287,500
Cost of sales		(89,360,854)	(233,953,444)	-	-
Gross profit		18,783,965	17,016,826	194,280,000	213,287,500
Other income		4,534,502	97,085,543	685,373	48,600
Selling and distribution expenses		-	(264,894)	-	-
Administrative expenses		(91,409,575)	(133,141,605)	(2,980,881)	(96,129,293)
Net loss on impairment of financial instruments		(20,347,818)	(69,352,474)	(105,705,409)	(12,685,247)
(Loss)/Profit from operation		(88,438,926)	(88,656,604)	86,279,083	104,521,560
Finance costs	28	(21,980,015)	(25,412,625)	(28,548)	(46,052)
Share of results of joint ventures		140,712,923	3,763,103	-	-
Profit/(Loss) before tax	29	30,293,982	(110,306,126)	86,250,535	104,475,508
Taxation	30	(544,798)	(18,195,933)	(158,622)	(10,202,767)
Profit/(Loss) for the financial year		29,749,184	(128,502,059)	86,091,913	94,272,741
Other comprehensive income/(loss), net of tax Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation		6,899,180	(4,957,340)	-	-
Total comprehensive income/(loss) for the financial year		36,648,364	(133,459,399)	86,091,913	94,272,741
Profit/(Loss) for the financial year attributable to:					
Owners of the parent		51,759,460	(84,560,565)	86,091,913	94,272,741
Non-controlling interests		(22,010,276)	(43,941,494)	-	-
		29,749,184	(128,502,059)	86,091,913	94,272,741
Total comprehensive income/(loss) attributable to:					
Owners of the parent		58,658,640	(89,517,905)	86,091,913	94,272,741
Non-controlling interests		(22,010,276)	(43,941,494)	-	-
		36,648,364	(133,459,399)	86,091,913	94,272,741
Earnings/(Loss) per share					
Basic earnings/(loss) per share (sen)	31(a)	2.73	(10.79)		
Diluted earnings/(loss) per share (sen)	31(b)	2.73	(9.88)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Attributable to Owners of the Parent								
	Non-Distributable					Distributable			
Group	Share Capital RM	LTIP Reserves RM	Translation Reserves RM	Warrants Reserves RM	Other Reserves RM	Retained Earnings RM	Total RM	Non-Controlling Interests RM	Total Equity RM
At 1 January 2021	924,998,424	2,576,100	(16,508,059)	244,027,158	(221,420,050)	210,275,684	1,143,949,257	(16,416,438)	1,127,532,819
Profit/(Loss) for the financial year	-	-	-	-	-	51,759,460	51,759,460	(22,010,276)	29,749,184
Foreign currency translation	-	-	6,899,180	-	-	-	6,899,180	-	6,899,180
Total comprehensive income/(loss) for the financial year	-	-	6,899,180	-	-	51,759,460	58,658,640	(22,010,276)	36,648,364
Transactions with owners:									
Share options granted under LTIP	-	6,462,000	-	-	-	-	6,462,000	-	6,462,000
Issuance of shares under private placement	129,516,825	-	-	-	-	(5,821,202)	123,695,623	-	123,695,623
Acquisition of equity interest of NCI	-	-	-	-	-	881,904	881,904	(881,905)	(1)
Exercise of warrants	7,097,160	-	-	(5,938,440)	5,938,440	-	7,097,160	-	7,097,160
Total transactions with owners	136,613,985	6,462,000	-	(5,938,440)	5,938,440	(4,939,298)	138,136,687	(881,905)	137,254,782
At 31 December 2021	1,061,612,409	9,038,100	(9,608,879)	238,088,718	(215,481,610)	257,095,846	1,340,744,584	(39,308,619)	1,301,435,965

Statements Of Changes In Equity
For The Financial Year Ended 31 December 2021
(cont'd)

Group	Share Capital RM	LTIP Reserves RM	Translation Reserves RM	Warrants Reserves RM	Other Reserves RM	Retained Earnings RM	Total RM	Non-Controlling Interests RM	Total Equity RM
	Attributable to Owners of the Parent								
	Non-Distributable					Distributable			
At 1 January 2020	659,642,281	2,576,100	(11,550,719)	25,607,108	-	301,674,300	977,949,070	(58,094,184)	919,854,886
Loss for the financial year	-	-	-	-	-	(84,560,565)	(84,560,565)	(43,941,494)	(128,502,059)
Foreign currency translation	-	-	(4,957,340)	-	-	-	(4,957,340)	-	(4,957,340)
Total comprehensive loss for the financial year	-	-	(4,957,340)	-	-	(84,560,565)	(89,517,905)	(43,941,494)	(133,459,399)
Transactions with owners:									
Rights Issue	237,622,311	-	-	-	-	(6,838,051)	230,784,260	-	230,784,260
Issuance of warrants	-	-	-	221,420,767	(221,420,767)	-	-	-	-
Issuance of shares under share grant plan	17,052,975	-	-	-	-	-	17,052,975	-	17,052,975
Exercise of warrants	10,680,857	-	-	(3,000,717)	717	-	7,680,857	-	7,680,857
Disposal of a subsidiary company	-	-	-	-	-	-	-	85,619,240	85,619,240
Total transactions with owners	265,356,143	-	-	218,420,050	(221,420,050)	(6,838,051)	255,518,092	85,619,240	341,137,332
At 31 December 2020	924,998,424	2,576,100	(16,508,059)	244,027,158	(221,420,050)	210,275,684	1,143,949,257	(16,416,438)	1,127,532,819

Statements Of Changes In Equity
For The Financial Year Ended 31 December 2021
(cont'd)

	Non-Distributable				Distributable	
	Share Capital RM	LTIP Reserves RM	Warrants Reserves RM	Other Reserves RM	Retained earnings/ (Accumulated loss) RM	Total Equity RM
Company						
At 1 January 2021	924,998,424	2,576,100	244,027,158	(221,420,050)	14,717,432	964,899,064
Profit for the financial year, representing total comprehensive income for the financial year	-	-	-	-	86,091,913	86,091,913
Transactions with owners:						
Share options granted under LTIP	-	6,462,000	-	-	-	6,462,000
Issuance of shares under private placement	129,516,825	-	-	-	(5,821,202)	123,695,623
Exercise of warrants	7,097,160	-	(5,938,440)	5,938,440	-	7,097,160
Total transactions with owners	136,613,985	6,462,000	(5,938,440)	5,938,440	(5,821,202)	137,254,783
At 31 December 2021	1,061,612,409	9,038,100	238,088,718	(215,481,610)	94,988,143	1,188,245,760

	Non-Distributable				Distributable	
	Share Capital RM	LTIP Reserves RM	Warrants Reserves RM	Other Reserves RM	(Accumulated loss)/ Retained earnings RM	Total Equity RM
Company						
At 1 January 2020	659,642,281	2,576,100	25,607,108	-	(72,717,258)	615,108,231
Profit for the financial year, representing total comprehensive income for the financial year	-	-	-	-	94,272,741	94,272,741
Transactions with owners:						
Rights Issue	237,622,311	-	-	-	(6,838,051)	230,784,260
Issuance of warrants	-	-	221,420,767	(221,420,767)	-	-
Issuance of shares under share grant plan	17,052,975	-	-	-	-	17,052,975
Exercise of warrants	10,680,857	-	(3,000,717)	717	-	7,680,857
Total transactions with owners	265,356,143	-	218,420,050	(221,420,050)	(6,838,051)	255,518,092
At 31 December 2020	924,998,424	2,576,100	244,027,158	(221,420,050)	14,717,432	964,899,064

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash Flows From Operating Activities				
Profit/(Loss) before tax	30,293,982	(110,306,126)	86,250,535	104,475,508
Adjustments for:				
Amortisation of golf club memberships	7,895	7,895	-	-
Bad debts written off	2,710,823	-	-	-
Depreciation of:				
- Property, plant and equipment	1,912,608	1,929,575	45,354	45,239
- Investment properties	13,710,444	16,965,760	-	-
- Right-of-use asset	201,778	533,764	83,599	358,895
Dividend income	-	-	(186,480,000)	(204,687,500)
Gain on disposal of:				
- Property, plant and equipment	(65,997)	(52,795)	(24,000)	-
- A subsidiary company	-	(89,114,428)	-	-
Impairment losses on:				
- Goodwill on consolidation	23,635,992	52,000,000	-	-
- Investment in subsidiary companies	-	-	-	60,000,000
- Investment properties	5,968,836	570,700	-	-
- Amount due from subsidary company	-	-	107,444,415	12,685,247
- Trade receivables	9,848,415	25,862,099	-	-
- Other receivables	13,461,525	45,331,965	-	-
- Joint Ventures	325,901	-	-	-
Interest expense	21,980,015	25,412,625	28,548	46,052
Interest income	(1,386,692)	(1,001,369)	-	-
Loss on modification of lease contract	-	24,749	-	24,749
LTIP expenses	6,462,000	17,052,975	6,462,000	17,052,975
Provision for liquidated ascertained damages	-	29,512,924	-	-
Reversal of impairment losses on:				
- Amount due from subsidary company	-	-	(1,739,006)	-
- Trade receivables	(3,288,023)	(1,841,590)	-	-
Share of result of joint venture	(140,712,923)	(3,763,103)	-	-
Unrealised loss/(gain) on foreign exchange	5,993,004	(2,500,603)	(13,127,597)	4,500,686
Operating loss before working capital changes	(8,940,417)	6,625,017	(1,056,152)	(5,498,149)
Change in working capital				
Inventories	-	544,020	-	-
Contract asset	75,133,605	19,505,117	-	-
Receivables	35,725,262	18,687,201	4,338,057	(3,815,572)
Payables	(124,771,733)	(16,434,598)	(18,383,928)	2,439,598
	(13,912,866)	22,301,740	(14,045,871)	(1,375,974)
Cash generated (used in)/from operations	(22,853,283)	28,926,757	(15,102,023)	(6,874,123)
Interest paid	(4,759,673)	(4,701,606)	-	-
Tax paid	(3,781,008)	(3,316,314)	(1,897,767)	-
Tax refunded	-	34,058	-	-
	(8,540,681)	(7,983,862)	(1,897,767)	-
Net cash(used in)/from operating activities	(31,393,964)	20,942,895	(16,999,790)	(6,874,123)

Statements Of Cash Flows

For The Financial Year Ended 31 December 2021
(cont'd)

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash Flows From Investing Activities				
Net advance to subsidiary companies	-	-	(32,853,860)	458,226
Proceeds from disposal of:				
- property, plant and equipment	66,000	52,800	24,000	-
Proceeds from disposal of a subsidiary company, net of cash outflows disposed	-	(1,057,963)	-	-
Advance to joint venture	(7,705)	(1,385,189)	-	-
Additional shares investment in joint venture	(92,446,200)	(120,390,000)	-	-
Interest received	1,386,692	1,001,369	-	-
Purchase of property, plant and equipment	(3,319,089)	(31,994,663)	(8,553)	(13,025)
Purchase of right-of-use	(35,267)	-	-	-
Decrease in deposit pledged and debt service reserve account	(9,211,949)	3,082,976	-	-
Purchase of investment properties	(2,640,000)	(22,034,351)	-	-
Net cash (used in)/from investing activities	(106,207,518)	(172,725,021)	(32,838,413)	445,201
Cash Flows From Financing Activities				
Net advance from subsidiary companies	-	-	(150,434,962)	(135,722,228)
Proceeds from issuance of share capital	-	245,303,168	-	245,303,168
Proceeds from exercise of warrants	7,097,160	-	7,097,160	-
Proceeds from private placement	129,516,825	-	129,516,825	-
Interest paid	(17,220,342)	(20,711,019)	(28,548)	(46,052)
Net movement of bill payables	(6,114,329)	(17,323,269)	-	-
Net movement of trade commodity financing	(5,874,287)	(3,030,097)	-	-
Net movement of factoring payable	(3,057,819)	3,057,819	-	-
Repayments of lease liabilities	(218,924)	(474,034)	(77,461)	(308,812)
Share issuance expenses	(5,821,202)	(6,838,051)	(5,821,202)	(6,838,051)
Net movement of revolving credit	2,000,000	(11,500,000)	2,000,000	-
Net movement of term loans	(55,190)	(1,187,507)	-	-
Net cash from/(used in) financing activities	100,251,892	187,297,010	(17,748,188)	102,388,025
Net(decrease)/increase in cash and cash equivalents	(37,349,590)	35,514,884	(67,586,391)	95,959,103
Exchange translation differences on cash and cash equivalents	(578,931)	(4,957,340)	13,127,597	(4,500,686)
Cash and cash equivalents at the beginning of the financial year	116,533,755	85,976,211	93,403,765	1,945,348
Cash and cash equivalents at the end of the financial year	78,605,234	116,533,755	38,944,971	93,403,765
Cash and cash equivalents comprise:				
Deposits placed with licensed banks	55,196,204	46,079,058	-	-
Cash and bank balances	88,719,352	128,503,161	38,944,971	93,403,765
Bank overdrafts	(6,243,271)	(8,193,362)	-	-
	137,672,285	166,388,857	38,944,971	93,403,765
Less: Deposits pledged				
Deposits held as security values	(55,196,204)	(46,079,058)	-	-
Debt service reserve account	(3,870,847)	(3,776,044)	-	-
	78,605,234	116,533,755	38,944,971	93,403,765

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal place of business of the Company is located at Unit B-09-28, Tower B, Pacific Towers, Jalan 13/6, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan.

The registered office of the Company is located at 802, 8th Floor, Block C, Kelana Square, 17, Jalan SS 7/26, 47301 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are that of investment holding and general contractor. The principal activities of the subsidiary companies are disclosed in Note 7. There have been no significant changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

2. Basis of Preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

Adoption of amended standards

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendments to MFRS 16	Covid-19 – Related Rent Concessions
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current – Deferral of Effective Date
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform – Phase 2

The adoption of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

Notes To The Financial Statements
(cont'd)

2. Basis of Preparation (cont'd)

(a) Statement of compliance (cont'd)

Standards issued but not yet effective

The Group and the Company have not applied the following amendments to MFRSs and new interpretation that have been issued by the MASB but are not yet effective for the Group and for the Company:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 16	Covid-19 – Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 3	References to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contract – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020		1 January 2022
• Amendments to MFRS 1		
• Amendments to MFRS 9		
• Amendments to MFRS 16		
• Amendments to MFRS 141		
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above MFRSs and amendments to MFRSs when they become effective.

The initial application of the above-mentioned MFRSs is not expected to have any significant impacts on the financial statements of the Group and of the Company.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

2. Basis of Preparation (cont'd)

(c) Significant accounting judgements, estimates and assumptions (cont'd)

Judgements

The following are the judgements made by management in the process of applying the Group's and of the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Joint ventures

The Group has interest in an investment which it regards as a joint venture although the Group owns less than half of the ownership interest in this entity as disclosed in Note 8. This entity has not been regarded as associate of the Group as management have assessed that the contractual arrangement with the respective joint venture party has given rise to joint control over this entity in accordance with MFRS 11 *Joint Arrangements*.

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

Satisfaction of performance obligations in relation to contracts with customers

The Group and the Company are required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations:

The Group and the Company recognise revenue over time in the following circumstances:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group and the Company perform;

(b) the Group and the Company do not create an asset with an alternative use to the Group and to the Company and have an enforceable right to payment for performance completed to date; and

(c) the Group's and the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group and the Company assess each contract with customers to determine when the performance obligation of the Group and the Company under the contract is satisfied.

Notes To The Financial Statements
(cont'd)

2. Basis of Preparation (cont'd)

(c) Significant accounting judgements, estimates and assumptions (cont'd)

Judgements (cont'd)

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Useful lives of property, plant and equipment, investment properties and right-of-use ("ROU") assets

The Group and the Company regularly review the estimated useful lives of property, plant and equipment, investment properties and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, investment properties and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment, investment properties and ROU assets. The carrying amount of the property, plant and equipment, investment properties and ROU assets are disclosed in Notes 4, 5 and 6 respectively.

Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use and fair value less costs of disposal of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. When fair value less costs of disposal calculation is used, management estimate the expected selling price of the assets or cash generating unit less its estimated cost to sell. The key assumptions used to determine the value-in-use is disclosed in Note 10.

Impairment of investment in subsidiary companies

The Company reviews its investment in subsidiary companies when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investment in subsidiary companies is disclosed in Note 7.

2. Basis of Preparation (cont'd)

(c) Significant accounting judgements, estimates and assumptions (cont'd)

Key sources of estimation uncertainty (cont'd)

<u>Income taxes</u>

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these tax matters is different from the amounts that were initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made. As at 31 December 2021, the Group and the Company have tax recoverable of RM74,003 and Nil (2020: RM74,003 and Nil) and tax payable of RM11,359,664 and RM8,441,790 (2020: RM14,582,534 and RM10,180,935) respectively.

<u>Inventories valuation</u>

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 12.

<u>Employee share options and Share Grant Plan ("SGP")</u>

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. Details of assumptions made in respect of the share-based payment scheme are disclosed in Note 32.

<u>Revenue from construction contracts</u>

Construction revenue and costs are recognised over the period of the contract in the profit or loss by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of performance obligation is measured based on the physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total construction costs. The total estimated construction costs are based on approved budgets, which require assessments and judgments to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, the Group evaluates based on past experience, the work of specialists and a continuous monitoring mechanism.

The details of construction contracts are disclosed in Note 14.

Notes To The Financial Statements
(cont'd)

2. Basis of Preparation (cont'd)

(c) Significant accounting judgements, estimates and assumptions (cont'd)

Key sources of estimation uncertainty (cont'd)

Revenue from property development contracts

Revenue is recognised when the control of the asset is transferred to the customers and, depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, the Group recognises property development revenue and costs over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation at the reporting date. This is measure based on the proportion of property development costs incurred for work performed up to end of the reporting period as a percentage of the estimated total property development costs of the contract.

Significant judgements are used to estimate these total property development costs to complete the contracts. In making these estimates, management relies on past experience, the work of specialists and a continuous monitoring mechanism.

The carrying amount of assets and liabilities of the Group arising from property development activities are disclosed in Notes 12 and 14 respectively.

Provision for expected credit loss of financial assets at amortised cost

The Group reviews the recoverability of its receivables, include trade and other receivables, and amounts due from subsidiary companies and joint ventures at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions at the end of each reporting period.

The carrying amounts at the reporting date for receivables are disclosed in Notes 13, 15, 16 and 17 respectively.

Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group and the Company use the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group and the Company 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 and the Company estimate the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and internal and external experts to the Group for matters in the ordinary course of business. Details of contingent liabilities and material litigation are disclosed in Notes 34 and 41 respectively.

3. Significant Accounting Policies

The Group and the Company apply the significant accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instruments and within the scope of MFRS 9 *Financial Instruments* is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The policy of recognition and measurement of impairment losses is in accordance with Note 3(o)(i).

Notes To The Financial Statements
(cont'd)

3. Significant Accounting Policies (cont'd)

(a) Basis of consolidation (cont'd)

(ii) Changes in ownership interests in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiary companies

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary company acquired (ie. a bargain purchase), the gain is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying amount may be impaired. The policy of recognition and measurement of impairment losses is in accordance with Note 3(o)(i).

(b) Investments in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

On acquisition of an investment in a joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of joint venture's profit or loss for the period in which the investment is acquired.

A joint venture is equity accounted for from the date on which the investee becomes a joint venture. Under the equity method, on initial recognition the investment in a joint venture is recognised at cost, and the carrying amounts is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the joint venture after the date of acquisition. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

3. Significant Accounting Policies (cont'd)

(b) Investments in joint ventures (cont'd)

Profits or losses resulting from upstream and downstream transactions between the Group and its joint venture are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the joint venture. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the assets transferred.

The financial statements of the joint ventures are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The requirement of MFRS 136 *Impairment of Assets* are applied determines whether it is necessary to recognise any impairment loss with respect to its investment in the joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the carrying amount of the investment in the joint venture is tested for impairment in accordance with MFRS 136 as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in joint ventures are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The policy of recognition and measurement of impairment losses is in accordance with Note 3(o)(i).

(c) Foreign currency translation

(i) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

Notes To The Financial Statements
(cont'd)

3. Significant Accounting Policies (cont'd)

(c) Foreign currency translation (cont'd)

(ii) Foreign operations

The assets and liabilities of foreign operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at the rate of exchange prevailing at the reporting date. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the FCTR in equity. However, if the operation is a non-wholly owned subsidiary company, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary company that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(o)(i).

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

3. Significant Accounting Policies (cont'd)

(d) Property, plant and equipment (cont'd)

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on straight line basis to write off the cost of each asset to its residual value over its estimated useful life. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for its intended use.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

	Rate
Freehold buildings	2%
Plant and machineries	2% - 10%
Motor vehicles	10%- 20%
Furniture, fittings, office equipment and renovation	10% - 33.3%

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

(e) Leases

As lessee

The Group and the Company recognise a ROU asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(o)(i) to the financial statements.

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

	Rate
Buildings	2%, or over the lease term, if shorter
Motor vehicles	10% - 20%
Plant and machinery	10%

The ROU assets are subject to impairment.

Notes To The Financial Statements
(cont'd)

3. Significant Accounting Policies (cont'd)

(e) Leases (cont'd)

As lessee (cont'd)

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective Group entities' incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group and the Company are reasonably certain to exercise.

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group or the Company changes its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

As lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group or the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group and the Company apply MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling price.

The Group and the Company recognise assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group and the Company use the interest rate implicit in the lease to measure the net investment in the lease.

The Group recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(f) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

3. Significant Accounting Policies (cont'd)

(f) Investment properties (cont'd)

Buildings under construction are not depreciated. Other investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rates are:

	Rate
Building	2%
Leasehold land	Over the remaining lease period

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(o)(i) to the financial statements on impairment of non-financial assets.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

Transfers are made to (or from) investment property only when there is a change in use. Transfer between investment property, property plant and equipment and inventories do not change the carrying amount and the cost of the property transferred.

(g) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at Fair Value Through Profit & Loss ("FVTPL"), directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include trade and other receivables, amount due from subsidiary companies and joint ventures and deposits, cash and bank balances.

<u>Financial assets at amortised cost</u>

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group and the Company have not designated any financial assets as Fair Value Through Other Comprehensive Income ("FVOCI") and FVTPL.

Notes To The Financial Statements
(cont'd)

3. Significant Accounting Policies (cont'd)

(g) Financial assets (cont'd)

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

(h) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of:

- the best estimate of the expenditure required to settle the present obligation at the reporting date; and

- the amount initially recognised less cumulative amortisation.

Liabilities arising from financial guarantees are presented together with other provisions.

(j) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3. Significant Accounting Policies (cont'd)

(k) Inventories

Inventories are stated at the lower of cost and net realisable value.

(i) Land held for property development

Land held for property development consists of purchase price of and, professional fees, stamp duties, commission fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value can not be determined reliably, these inventories will be stated at the lower of cost or fair value costs to see. Fair value is the amount the inventory can be sold in an arm's length transaction.

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

(ii) Property development costs

Cost is determined based on specific identification basis. Property development costs comprise costs of land, professional fees, direct materials, direct labour, other direct costs, attributable overhead, payments to subcontractors and borrowing costs capitalised for qualifying assets that incurred during the development period. The asset is subsequently recognised as an expenses in profit or loss when and as the control of the asset is transferred to the customer.

Property development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

The cost of completed properties held for sale includes costs of land and related development cost or its purchase costs and incidental cost of acquisition. Cost is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.

(iii) Completed properties

The cost of completed properties includes costs of land and related development cost or its purchase costs and incidental cost of acquisition. Cost is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and applicable selling expenses.

(l) Construction contracts

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

Cost incurred to fulfil the contracts, comprising cost of direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors are recognised as an asset and amortised over to profit or loss systematically to reflect the transfer of the contracted service to the customer.

Notes To The Financial Statements
(cont'd)

3. Significant Accounting Policies (cont'd)

(l) Construction contracts (cont'd)

The Group uses the efforts or inputs to the satisfaction of the performance obligations to determine the appropriate amount to recognise in a given period. This is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature. When the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive in exchange of the contracted asset, an impairment loss is recognised in profit or loss.

The Group presents as an asset the gross amount due from customers for contract work in progress for which costs incurred plus recognised profits (less recognised losses) exceed contract liabilities. Contract liabilities not yet paid by customers and retention monies are included within receivables and contract assets. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which contract liabilities exceed costs incurred plus recognised profits (less recognised losses).

(m) Contract assets and Contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

(n) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, demand deposits, bank overdrafts and highly liquid investments that are readily converted to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(o) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

3. Significant Accounting Policies (cont'd)

(o) Impairment of assets (cont'd)

(i) Non-financial assets (cont'd)

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade receivables, other receivables, contract assets and inter-company balances, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes To The Financial Statements
(cont'd)

3. Significant Accounting Policies (cont'd)

(p) Share capital

(i) Issue expenses

Costs directly attributable to issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary Shares

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

(iii) Dividend distribution

Liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period. Distributions to holders of an equity instrument is recognised directly in equity.

(iv) Warrant

Warrants are classified as equity instruments. The issuance of ordinary shares upon exercise of warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants.

Upon exercise of the warrants, the proceeds are credited to share capital and the related warrant reserves are reversed. The warrant reserves in relation to unexercised warrants at the expiry of the warrants will be reversed into retained earnings.

(q) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

3. Significant Accounting Policies (cont'd)

(r) Revenue recognition

(i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation ("PO") by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, net of goods and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Group recognises revenue from the following major sources:

(a) Revenue from property development

The Group recognises revenue from property development over time when control over the property has been transferred to the customers. The properties have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to date. Revenue from property development is measured at the fixed transaction price agreed under the sales and purchase agreement.

Revenue is recognised over the period of the contract using input method (or cost-to-cost method) to measure the progress towards complete satisfaction of the performance obligations under the sale and purchase agreement, i.e. based on the proportion of property development costs incurred for work performed up to the end of the reporting period as a percentage of the estimated total costs of development of the contract.

The Group becomes entitled to invoice customers for construction of promised properties based on achieving a series of performance-related milestones (i.e. progress billing). The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised to date, the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

Revenue from sales of completed properties is recognised at a point in time, being when the control of the properties has been passed to the purchasers. And, it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the properties sold.

Notes To The Financial Statements
(cont'd)

3. Significant Accounting Policies (cont'd)

(r) Revenue recognition (cont'd)

(i) Revenue from contracts with customers (cont'd)

(b) Revenue from construction contracts

The Group recognises revenue from construction contracts over time when control over the asset has been transferred to the customers. The assets have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to date. Revenue from construction contracts is measured at the transaction price agreed under the construction contracts.

Revenue is recognised over the period of the contract using the input method to measure the progress towards complete satisfaction of the performance obligations under the construction contract, i.e. based on the level of completion of the physical proportion of contract costs incurred for work performed up to the end of the reporting period as a percentage of the estimated total costs of development of the contract.

The Group becomes entitled to invoice customers for construction of promised asset based on achieving a series of performance-related milestones (i.e. progress billing). The Group previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised todate, the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

(c) Sale of goods

Revenue from sale of goods is recognised when control of the products has transferred, being the products are delivered to the customer.

Following delivery of the goods to the customer's specific location, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

Revenue is recognised based on the price specified in the contract, net of the rebates, discounts and taxes. Under the Group's standard contract terms, customers have a right of return within 7 days. At the point of sale, a refund liability and a corresponding adjustment to revenue are recognised for those products expected to be returned. At the same time, the Group has a right to recover the product when customers exercise their right of return, so consequently recognises a right to returned goods asset and a corresponding adjustment to the cost of inventories recognised in profit or loss. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

A receivable is recognised by the Group when the goods are delivered as this represents the point in time at which the right to consideration is unconditional, because only the passage of time is required before payment is due. No element of financing is deemed present as the revenue recognised with a credit term of 14 to 90 days, which is consistent with market practice.

(ii) Interest income

Interest income is recognised on accruals basis using the effective interest method.

(iii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

3. Significant Accounting Policies (cont'd)

(s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(t) Income tax

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for temporary differences in the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensation absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

Notes To The Financial Statements
(cont'd)

3. Significant Accounting Policies (cont'd)

(u) Employee benefits (cont'd)

(i) Short term employee benefits (cont'd)

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group have no further payment obligations.

(iii) Equity-settled share-based payment transaction

The Group operates an equity-settled, share-based long-term incentive plan which comprises the Share Option Plan ("SOP") and Share Grant Plan ("SGP") for its employees.

<u>Share Option Plan ("SOP")</u>

Employee services received in exchange for the grant of the share options is recognised as an expense in the profit or loss over the vesting periods of the grant with a corresponding increase in equity.

For options granted to the employees of the subsidiary companies, the fair value of the options granted is recognised as cost of investment in the subsidiary companies over the vesting period with a corresponding adjustment to equity in the Company's financial statements.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to be vested. At the end of each reporting date, the Group revises its estimates of the number of share options that are expected to be vested. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

<u>Share Grant Plan ("SGP")</u>

The share grant are settled by way of issuance and transfer of new shares upon vesting. The total fair value of shares granted is recognised as an employee cost with a corresponding increase in the share grant reserve within equity over the vesting period after taking into account the probability that the share grant will vest.

At each reporting date, the Group revises its estimates of the number of share grant that are expected to vest on vesting date. It recognises the impact of the revision of original estimates, if any, in profit or loss and a corresponding adjustment to equity over the remaining vesting period.

(v) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

3. Significant Accounting Policies (cont'd)

(w) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Contingent assets

Where it is not possible that there is an inflow of economic benefits, or the account cannot be estimated reliably, the asset is not recognised in the statements of financial position and is disclosed as contingent asset, unless the probability of inflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

(x) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

(y) Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the MFRSs applicable to the particular assets, liabilities, revenues and expenses.

Profits and losses resulting from transactions between the Group and its joint operation are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the joint operation.

Notes To The Financial Statements
(cont'd)

4. Property, Plant and Equipment

	Freehold buildings RM	Freehold land RM	Plant and machineries RM	Motor vehicles RM	Furniture, fittings, office equipment and renovation RM	Capital Work-in-Progress RM	Total RM
Group							
2021							
Cost							
At 1 January	71,886,562	29,949,776	1,644,521	6,534,953	8,817,419	-	118,833,231
Additions	-	-	-	-	494,401	2,824,688	3,319,089
Disposals	-	-	-	(1,237,289)	-	-	(1,237,289)
At 31 December	71,886,562	29,949,776	1,644,521	5,297,664	9,311,820	2,824,688	120,915,031
Accumulated depreciation							
At 1 January	1,764,462	-	1,162,368	6,534,899	6,564,153	-	16,025,882
Charge for the financial year	1,435,394	-	149,378	-	327,836	-	1,912,608
Disposals	-	-	-	(1,237,286)	-	-	(1,237,286)
At 31 December	3,199,856	-	1,311,746	5,297,613	6,891,989	-	16,701,204
Carrying amount							
At 31 December	68,686,706	29,949,776	332,775	51	2,419,831	2,824,688	104,213,827

4. **Property, Plant and Equipment (cont'd)**

	Freehold buildings RM	Freehold land RM	Plant and machineries RM	Motor vehicles RM	Furniture, fittings, office equipment and renovation RM	Total RM
Group						
2020						
Cost						
At 1 January	286,562	-	394,521	3,041,711	7,770,610	11,493,404
Additions	-	29,949,776	-	-	2,044,887	31,994,663
Disposals	-	-	-	(261,043)	-	(261,043)
Disposal of a subsidiary company	-	-	-	-	(998,078)	(998,078)
Reclassified from investment property [Note 5(a)]	71,600,000	-	-	-	-	71,600,000
Reclassified from right-of-use asset (Note 6)	-	-	1,250,000	3,754,285	-	5,004,285
At 31 December	71,886,562	29,949,776	1,644,521	6,534,953	8,817,419	118,833,231

	Freehold buildings RM	Freehold land RM	Plant and machineries RM	Motor vehicles RM	Furniture, fittings, office equipment and renovation RM	Total RM
Group						
2020						
Accumulated depreciation						
At 1 January	60,568	-	359,234	3,041,688	7,085,609	10,547,099
Charge for the financial year	1,435,394	-	126,050	1,707	366,424	1,929,575
Disposals	-	-	-	(261,038)	-	(261,038)
Disposal of a subsidiary company	-	-	-	-	(887,880)	(887,880)
Reclassified from investment property [Note 5(a)]	268,500	-	-	-	-	268,500
Reclassified from right-of-use asset (Note 6)	-	-	677,084	3,752,542	-	4,429,626
At 31 December	1,764,462	-	1,162,368	6,534,899	6,564,153	16,025,882
Carrying amount						
At 31 December	70,122,100	29,949,776	482,153	54	2,253,266	102,807,349

Notes To The Financial Statements
(cont'd)

4. Property, Plant and Equipment (cont'd)

	Office equipment and renovation RM	Motor vehicles RM	Total RM
Company			
2021			
Cost			
At 1 January	571,391	2,279,598	2,850,989
Additions	8,553	-	8,553
Disposals	-	(1,062,568)	(1,062,568)
At 31 December	579,944	1,217,030	1,796,974
Accumulated depreciation			
At 1 January	449,007	2,279,598	2,728,605
Charge for the financial year	45,354	-	45,354
Disposals	-	(1,062,568)	(1,062,568)
At 31 December	494,361	1,217,030	1,711,391
Carrying amount			
At 31 December	85,583	-	85,583
2020			
Cost			
At 1 January	558,366	2,279,598	2,837,964
Additions	13,025	-	13,025
At 31 December	571,391	2,279,598	2,850,989
Accumulated depreciation			
At 1 January	403,768	2,279,598	2,683,366
Charge for the financial year	45,239	-	45,239
At 31 December	449,007	2,279,598	2,728,605
Carrying amount			
At 31 December	122,384	-	122,384

The net carrying amount of property, plant and equipment of the Group that in the progress of issuance of strata title is as follows:

	Group 2021 RM	2020 RM
Freehold buildings	68,467,500	69,899,500

Notes To The Financial Statements
(cont'd)

5. Investment Properties

	Group 2021 RM	Group 2020 RM
Carrying amount		
Investment properties		
- freehold land and buildings	244,426	250,407
- leasehold podium retail, office lots and apartment	252,664,613	261,100,422
- leasehold shopping mall and car park podium	353,229,025	361,826,515
	606,138,064	623,177,344
Investment properties under construction		
- leasehold office lot	-	-
	606,138,064	623,177,344

(a) Investment properties

	Group 2021 RM	Group 2020 RM
Cost		
At 1 January	701,324,173	744,518,789
Additions	2,640,000	-
Reclassified to property, plant and equipment (Note 4)	-	(71,600,000)
Reclassified from investment properties under construction [Note 5(b)]	-	28,405,384
At 31 December	703,964,173	701,324,173
Accumulated depreciation		
At 1 January	67,177,431	50,480,171
Depreciation for the financial year	13,710,444	16,965,760
Reclassified to property, plant and equipment (Note 4)	-	(268,500)
At 31 December	80,887,875	67,177,431
Accumulated impairment losses		
At 1 January	10,969,398	10,398,698
Impairment loss during the financial year	5,968,836	570,700
At 31 December	16,938,234	10,969,398
Carrying amount	606,138,064	623,177,344
Fair value	607,499,040	633,977,000

Notes To The Financial Statements
(cont'd)

5. Investment Properties (cont'd)

(a) Investment properties (cont'd)

(i) Fair value of investment properties

(a) Freehold land and buildings

The fair values of the investment properties of freehold land and buildings of the Group were estimated at RM581,040 (2020: RM690,000) respectively at Directors' valuation which were made based on current prices in an active market for the said properties. The most significant input into this valuation approach is price per square foot of comparable properties. The fair value is within level 2 of the fair value hierarchy.

(b) Leasehold podium retail, office lots and apartment

The fair values of the investment properties of leasehold podium retail, office lots and apartment of the Group were estimated at RM252,818,000 (2020: RM266,287,000) by an independent professional valuer, registered with Board of Valuers, Appraisers and Estate Agents, based on the comparison method. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as time, tenure, location, property condition and size. The most significant input into this valuation approach is price per square foot of comparable properties. The fair values are within Level 3 of the fair value hierarchy.

(c) Leasehold shopping mall and car park podium

The fair values of the investment properties of leasehold shopping mall and car park podium, of the Group were estimated at RM354,100,000 (2020: RM367,000,000) by an independent professional valuer, registered with Board of Valuers, Appraisers and Estate Agents, based on the comparison method. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as time, tenure, location, property condition, occupying rate and size. The most significant input into this valuation approach is price per square foot of comparable properties. The fair values are within Level 3 of the fair value hierarchy.

(ii) Investment properties under leases

The Group has entered into commercial property leases on its shopping mall and car parks. Most of the leases contains a non-cancellable period from 2 years to 3 years. Subsequent renewals are negotiated with the lessees on an average renewal period of 2 years to 3 years. No contingent rents are charged

(b) Investment properties under construction

	Group	
	2021 RM	**2020 RM**
Cost		
At 1 January	-	6,371,033
Additions	-	22,034,351
Reclassified to investment properties [Note 5(a)]	-	(28,405,384)
At 31 December	-	-

(c) Investment properties pledged as securities to licensed banks

The investment properties of the Group of RM606,138,064 (2020: RM623,177,344) respectively have been pledged to secure the bank borrowings granted to the Group as disclosed in Note 22.

5. **Investment Properties (cont'd)**

(d) Income and expenses recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties and investment properties under construction:

	Group	
	2021 RM	**2020 RM**
Lease income	7,153,946	4,863,517
Direct operating expenses		
- Income generating investment properties	10,227,592	14,471,363
- Non-income generating investment properties	1,180,799	1,330,581

(e) An impairment loss amounting to RM5,968,836 (2020: RM570,700) was recognised during the financial year. The impairment is provided using the fair value calculation by comparing the carrying amount of the investment property with its fair value which estimated by an independent professional valuer.

The impairment loss was recognised in administrative expenses in the statements of profit or loss and other comprehensive income.

6. **Right-of-Use Assets**

	Land and buildings RM	**Plant and machinery RM**	**Motor vehicles RM**	**Total RM**
Group				
2021				
Cost				
At 1 January	1,329,134	-	519,128	1,848,262
Additions	163,011	-	329,268	492,279
At 31 December	1,492,145	-	848,396	2,340,541
Accumulated depreciation				
At 1 January	1,290,153	-	293,778	1,583,931
Charge for the financial year	99,300	-	102,478	201,778
At 31 December	1,389,453	-	396,256	1,785,709
Carrying amount	102,692	-	452,140	554,832

Notes To The Financial Statements
(cont'd)

6. Right-of-Use Assets (cont'd)

	Land and buildings RM	Plant and machinery RM	Motor vehicles RM	Total RM
2020				
Cost				
At 1 January	4,597,204	1,250,000	4,273,413	10,120,617
Additions	35,467	-	-	35,467
Lease modification	(3,303,537)	-	-	(3,303,537)
Reclassified to property, plant and equipment(Note 4)	-	(1,250,000)	(3,754,285)	(5,004,285)
At 31 December	1,329,134	-	519,128	1,848,262
Accumulated depreciation				
At 1 January	3,337,865	677,084	3,942,497	7,957,446
Charge for the financial year	429,941	-	103,823	533,764
Lease modification	(2,477,653)	-	-	(2,477,653)
Reclassified to property, plant and equipment(Note 4)	-	(677,084)	(3,752,542)	- (4,429,626)
At 31 December	1,290,153	-	293,778	1,583,931
Carrying amount	38,981	-	225,350	264,331

	Land and Buildings RM	Motor vehicles RM	Total RM
Company			
2021			
Cost			
At 1 January/ 31 December	-	418,000	418,000
Accumulated depreciation			
At 1 January	-	195,067	195,067
Charge for the financial year	-	83,599	83,599
At 31 December	-	278,666	278,666
Carrying amount	-	139,334	139,334

6. **Right-of-Use Assets (cont'd)**

	Land and Buildings RM	Motor vehicles RM	Total RM
2020			
Cost			
At 1 January	3,303,537	418,000	3,721,537
Lease modifcation	(3,303,537)	-	(3,303,537)
At 31 December	-	418,000	418,000
Accumulated depreciation			
At 1 January	2,202,358	111,467	2,313,825
Charge for the financial year	275,295	83,600	358,895
Lease modification	(2,477,653)	-	(2,477,653)
At 31 December	-	195,067	195,067
Carrying amount	-	222,933	222,933

(a) Purchase of right-of-use assets

The aggregate additional cost for the right-of-use assets of the Group during the financial year acquired under lease liability and cash payment are as follows:

	Group	
	2021 RM	2020 RM
Aggregate costs	492,279	35,467
Less: Lease liability recognised	(457,012)	(35,467)
Cash payments	35,267	-

(b) Reclassified to property, plant and equipment

The transferred to property, plant and equipment represents assets that had been previously used under lease arrangement and were purchased by the Group at the end of the lease term, now used as own property, plant and equipment.

Notes To The Financial Statements
(cont'd)

7. Investment in Subsidiary Companies

	Company 2021 RM	Company 2020 RM
In Malaysia:		
Unquoted shares, at cost	237,776,705	237,776,705
Less: Accumulated impairment losses	(81,203,566)	(81,203,566)
	156,573,139	156,573,139
Outside Malaysia:		
Unquoted shares, at cost	10	10
	156,573,149	156,573,149
Capital contribution to a subsidiary company	585,765,508	474,046,104
	742,338,657	630,619,253

Capital contribution to a subsidiary company refer to advance amount of which the Company does not expect repayment in the foreseeable future and is considered as part of the Company's investment in a subsidiary company.

Movements in the allowance for impairment losses are as follows:

	Company 2021 RM	Company 2020 RM
At 1 January	81,203,566	21,203,566
Impairment during the financial year	-	60,000,000
At 31 December	81,203,566	81,203,566

During the year, the Company conducted a review of the recoverable amount of its investment in subsidiary companies. The recoverable amount of investment was estimated based on fair value less cost of disposal approach. There was no indication of impairment during the financial year. The recoverable amounts are determined using the fair value less cost of disposal approach, and they are derived using adjusted net assets of the subsidiary company as at the end of the reporting period. The fair value is within level 3 of the fair value hierarchy.

7. Investment in Subsidiary Companies (cont'd)

In the previous financial year, the recoverable amount of the Company's investment in a subsidiary company estimated based on value-in-use method was RM156,000,000. An impairment loss amounting to RM60,000,000 was recognised in the previous financial year. In determining value-in-use for the subsidiary company, the cash flows were discounted at a rate of 10.10% on a pre-tax basis.

(a) Details of the subsidiary companies are as follows:

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2021 %	Effective Interest 2020 %	Principal Activities
Direct holding:				
JAKS Sdn. Bhd. *	Malaysia	100	100	General contractor and supplier of building materials
Pipe Technology System Sdn. Bhd. *	Malaysia	70	70	Pipe manufacturer. However, temporarily ceased operation
JAKS Steel Industries Sdn. Bhd. *	Malaysia	98.05	98.05	General trading of building materials and other steel related products
Empire Deluxe Sdn. Bhd. *	Malaysia	100	100	Manufacturing of ductile steel pipes and investment holding However, temporarily ceased operation
Gain World Trading Limited *	British Virgin Islands	100	100	Investment holding
Golden Keen Holdings Limited	British Virgin Islands	100	100	General contractor
JAKS Power Holding Limited	British Virgin Islands	100	100	Investment holding
JAKS Offshore Sdn. Bhd. *	Malaysia	51	51	Offshore drilling, oil, gas and general trading. However, not commenced operation
Harbour Town Sdn. Bhd.	Malaysia	100	100	Investment holding
Premier Place Property Sdn. Bhd.	Malaysia	100	100	Dormant
Harbour Front Development Sdn. Bhd.	Malaysia	100	100	Dormant
JAKS Solar Power Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding

Notes To The Financial Statements
(cont'd)

7. Investment in Subsidiary Companies (cont'd)

(a) Details of the subsidiary companies are as follows: (cont'd)

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2021 %	Effective Interest 2020 %	Principal Activities
Indirect holding: *Subsidiary companies of JAKS Sdn. Bhd.*				
JAKS-KDEB Consortium Sdn. Bhd.	Malaysia	100	70	Investment holding
JAKS Marketing Sdn. Bhd. *	Malaysia	100	100	General trading of steel and construction related products
JAKS Power Sdn. Bhd.	Malaysia	100	100	Investment holding
Fortress Pavilion Sdn. Bhd.	Malaysia	51	51	Investment holding and property asset management
Subsidiary company of JAKS-KDEB Consortium Sdn. Bhd.				
Integrated Pipe Industries Sdn.Bhd.	Malaysia	70	70	Pipe manufacturer. However, temporarily ceased manufacturing operation
Subsidiary company of Empire Deluxe Sdn. Bhd.				
Wing Tiek Ductile Iron Pipe Sdn. Bhd. *	Malaysia	100	100	General trading of steel and other related products. However, temporarily ceased operation
Subsidiary company of JAKS Power Holding Limited				
JAKS-MPC (HD) Limited *	British Virgin Islands	100	100	Investment holding
Subsidiary company of Harbour Town Sdn. Bhd.				
MNH Global Assets Management Sdn. Bhd. ∆	Malaysia	51	51	Investment holding, property development and management of mall and other properties

7. Investment in Subsidiary Companies (cont'd)

(a) Details of the subsidiary companies are as follows: (cont'd)

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2021 %	Effective Interest 2020 %	Principal Activities
Indirect holding: (Cont'd)				
Subsidiary company of MNH Global Assets Management Sdn. Bhd.				
Evolve Concept Mall. Sdn. Bhd	Malaysia	51	51	Dormant
Subsidiary companies of JAKS Solar Power Holdings Sdn. Bhd.				
JAKS Solar Power Sdn. Bhd.	Malaysia	100	100	Renewable energy However, temporarily inactive
JAKS Solar Land Sdn. Bhd.	Malaysia	100	100	General trading and construction. However, temporarily inactive
Subsidiary compay of JAKS Solar Power Sdn. Bhd.				
JAKS Solar Nibong Tebal Sdn. Bhd.	Malaysia	100	-	Renewable energy However, temporarily inactive

* Not audited by UHY.
Δ The shares held in this subsidiary company are pledged to bank for bank borrowings granted to the Group as disclosed in Note 22.

(b) Acquisition of subsidiary company

<u>During the financial year</u>

On 14 April 2021, a wholly-owned subsidiary company of the Group, JAKS Solar Power Sdn. Bhd. ("JSP") has acquired 100 ordinary shares, representing 100% equity interest of the Company, JAKS Solar Nibong Tebal Sdn. Bhd. ("JSNT") at a cash consideration of RM100. JSNT is a private limited liability company, incorporated and domiciled in Malaysia on 14 April 2021. Its intended principal activities are renewable energy.

On 20 December 2021, JSP increased an additional 9,999,900 shares in JSNT, representing 100% equity interest of the enlarged share capital of RM10,000,000 million. As at 31 December 2021, JSP's investment in JSNT is 10,000,000 shares.

Notes To The Financial Statements
(cont'd)

7. Investment in Subsidiary Companies (cont'd)

(c) Acquisition of non-controlling interests

During the financial year

On 5 October 2021, JAKS Sdn. Bhd., a wholly-owned subsidiary company of the Group, acquired additional 30% equity interest in JAKS-KDEB Consortium Sdn. Bhd. for RM1 in cash, increasing its ownership from 70% to 100%. The carrying amount of JAKS-KDEB Consortium Sdn. Bhd.'s net liability in the Group's financial statements on the date of acquisition was RM6,203,106. The Group recognised a decrease in non-controlling interests of RM881,905 and an increase in retained earnings of RM881,904.

The effect of changes in the equity interest in JAKS-KDEB Consortium Sdn. Bhd. that is attributable to owners of the Company:

	RM
Carrying amount of non-controlling interest acquired	881,905
Consideration paid to non-controlling interest	1
Increase in parent's equity	881,904

There was no acquisition in the previous financial year.

(d) Disposal of a subsidiary company

In the previous financial year

On 29 September 2020, JAKS Sdn Bhd ("JSB"), a wholly-owned subsidiary company of the Company entered into a shares sale and purchase agreement with Island Circle Development (M) Sdn Bhd ("ICD") for disposal of 51% equity interest in JAKS Island Circle Sdn Bhd ("JIC") to ICD for a total cash consideration of RM1. The disposal was completed on 30 September 2020.

The effect of the disposal of JIC on the financial position of the Group as at the date of disposal was as follows:

	2020 RM
Property, plant and equipments	110,198
Inventories	64,610,116
Trade receivables	737,450
Contract assets	15,878,018
Other receivables	58,539,482
Tax recoverable	1,479,659
Cash and bank balances	1,057,964
Trade payables	(9,842,491)
Other payables	(233,225,013)
Amount due to ultimate holding company	(34,414,521)
Amount due to immediate holding company	(26,874,939)
Amount due to a related company	(12,789,590)
Net liabilities	(174,733,667)
Less: Non-controlling interests	85,619,240
Total net liabilities disposed	(89,114,427)
Gain on disposal	89,114,428
Proceeds from disposal	1
Less: Cash and bank balances disposal	(1,057,964)
Net cash outflows from disposal	(1,057,963)

7. Investment in Subsidiary Companies (cont'd)

(e) Material partly-owned subsidiary companies

Financial information of subsidiary companies that have material non-controlling interest are provided below:

Proportion of equity interest held by non-controlling interest in:

Name of Company	Place of business/ Country of Incorporation	Proportion of Ownership Interest 2021 %	2020 %
MNH Global Assets Management Sdn. Bhd. ("MNH")	Malaysia	49	49
Fortress Pavilion Sdn. Bhd. ("FP")	Malaysia	49	49

	Group 2021 RM	2020 RM
Accumulated balances of material non-controlling interest:		
MNH	(20,979,418)	(7,159,893)
FP	(19,184,633)	(11,018,763)
Other individually immaterial non-controlling interest	855,432	1,762,218
	(39,308,619)	(16,416,438)
Total comprehensive loss allocated to material non-controlling interest:		
JIC	-	(16,552,060)
MNH	(13,819,525)	(19,860,798)
FP	(8,165,871)	(7,521,834)
Other individually immaterial non-controlling interest	(24,880)	(6,802)
	(22,010,276)	(43,941,494)

Notes To The Financial Statements
(cont'd)

7. Investment in Subsidiary Companies (cont'd)

(e) Material partly-owned subsidiary companies (cont'd)

Summarised financial information for these subsidiary companies that have material non-controlling interest (amounts before intra-group eliminations) is as follows:

Summarised statements of profit or loss and other comprehensive income for the financial year ended 31 December 2021:

	FP RM	MNH RM	Total RM
Revenue	2,856,658	4,297,288	7,153,946
Expenses including taxation	(19,521,700)	(32,500,401)	(52,022,101)
Net loss for the financial year, representing total comprehensive loss for the financial year	(16,665,042)	(28,203,113)	(44,868,155)
Attributable to:			
Non-controlling interest	(8,165,871)	(13,819,525)	(21,985,396)
Other individually immaterial non-controlling interest			(24,880)
Total non-controlling interest			(22,010,276)

Summarised statements of profit or loss and other comprehensive income for the financial year ended 31 December 2020:

	FP RM	MNH RM	JIC RM	Total RM
Revenue	436,450	5,309,664	(18,046,304)	(12,300,190)
Expenses including taxation	(15,787,131)	(45,841,906)	(15,733,410)	(77,362,447)
Net loss for the financial year, representing total comprehensive loss for the financial year	(15,350,681)	(40,532,242)	(33,779,714)	(89,662,637)
Attributable to:				
Non-controlling interest	(7,521,834)	(19,860,798)	(16,552,060)	(43,934,692)
Other individually immaterial non-controlling interest				(6,802)
Total non-controlling interest				(43,941,494)

Notes To The Financial Statements
(cont'd)

7. Investment in Subsidiary Companies (cont'd)

(e) Material partly-owned subsidiary companies (cont'd)

Summarised statements of financial position as at 31 December 2021:

	FP RM	MNH RM	Total RM
Non-current assets	230,019,475	339,611,944	569,631,419
Current assets	4,290,657	29,514,979	33,805,636
Total assets	234,310,132	369,126,923	603,437,055
Current liabilities	193,929,634	185,498,651	379,428,285
Non-current liabilities	79,532,810	226,443,411	305,976,221
Total liabilities	273,462,444	411,942,062	685,404,506
Total equity	(39,152,312)	(42,815,139)	(81,967,451)
Attributable to:			
Non-controlling interest	(19,184,633)	(20,979,418)	(40,164,051)
Other individually immaterial non-controlling interest			855,432
Total non-controlling interest			(39,308,619)

Summarised statements of financial position as at 31 December 2020:

	FP RM	MNH RM	Total RM
Non-current assets	239,900,592	347,256,382	587,156,974
Current assets	4,120,728	33,809,542	37,930,270
Total assets	244,021,320	381,065,924	625,087,244
Current liabilities	189,614,590	161,259,460	350,874,050
Non-current liabilities	76,894,000	234,418,493	311,312,493
Total liabilities	266,508,590	395,677,953	662,186,543
Total equity	(22,487,270)	(14,612,029)	(37,099,299)
Attributable to:			
Non-controlling interest	(11,018,763)	(7,159,893)	(18,178,656)
Other individually immaterial non-controlling interest			1,762,218
Total non-controlling interest			(16,416,438)

Notes To The Financial Statements
(cont'd)

7. Investment in Subsidiary Companies (cont'd)

(e) Material partly-owned subsidiary companies (cont'd)

Summarised statements of cash flows for the financial year ended 31 December 2021:

	FP RM	MNH RM
Operating activities	(6,110,279)	(6,332,015)
Investing activities	1	1,783,502
Financing activities	6,225,239	4,608,866
Net increase in cash and cash equivalents during the financial year	114,961	60,353

Summarised statements of cash flows for the financial year ended 31 December 2020:

	FP RM	MNH RM
Operating activities	3,718,282	(5,891,643)
Investing activities	(28,500)	(13,462,518)
Financing activities	(3,476,579)	19,376,276
Net increase in cash and cash equivalents during the financial year	213,203	22,115

8. Investment in Joint Ventures ("JV")

	Group	
	2021 RM	2020 RM
Unquoted shares, at cost		
- Outside Malaysia	577,957,598	485,511,398
Share of post-acquisition reserve	144,141,076	3,428,153
Exchange differences	(7,378,254)	(7,378,254)
	714,720,420	481,561,297

8. Investment in Joint Ventures ("JV") (cont'd)

Details of the joint ventures are as follows:

Name of JV	Place of Business/ Country of Incorporation	Effective Economic Interest 2021 %	2020 %	Principal Activities
JV held through JAKS Power Holding Limited ("JPH")				
JAKS Pacific Power Limited* ("JPP")	Hong Kong	30	30	Investment holding
Indirect JV held through JAKS Pacific Power Limited				
JAKS Hai Duong Power Company Limited* # ("JHDP")	Vietnam	30	30	Develop and operate coal-fired thermal power plant

* Not audited by UHY

\# The auditors' report of this JV disclosed with emphasis of matter that the JV has temporarily increased the value of the Firsts Unit and related items in accordance with the construction cost estimates of the 2x600MW Coal-fired Thermal Power Plant and has not yet been approved by the competent authority. The value of the First Unit and these related items may be changed upon approval to the official finalisation.

Summarised financial information of the Group's material joint venture i.e. JAKS Pacific Power Limited and its subsidiary company ("JPP Group") is set out below:

(a) Summarised adjusted statements of financial position

	JPP Group 2021 RM	2020 RM
Cash and cash equivalent	999,486,387	434,151,867
Other current assets	650,115,103	428,863,339
Non-current assets	7,479,624,542	6,664,587,571
Current financial liabilities (excluding trade and other payables and provisions)	(608,182,196)	(213,664,588)
Other current liabilities	(1,380,386,041)	(1,154,468,657)
Non-current financial liabilities (excluding trade and other payables and provisions)	(4,720,926,257)	(4,509,175,118)
Net assets	2,419,731,538	1,650,294,414
Interest in joint venture	30%	30%
Group's share of net assets	725,919,462	495,088,324
Share of other net asset changes	(15,025,104)	(17,353,089)
Goodwill	3,826,062	3,826,062
Carrying value of Group's interest in joint ventures	714,720,420	481,561,297

Notes To The Financial Statements
(cont'd)

8. Investment in Joint Ventures ("JV") (cont'd)

(b) Summarised adjusted statements of profit or loss and other comprehensive income

	JPP Group 2021 RM	JPP Group 2020 RM
Adjusted profit for the financial year, representing total comprehensive income for the financial year	469,043,075	12,543,676
Included in total comprehensive income are:		
Revenue	3,011,637,528	1,778,620,476
Amortisation/Depreciation	(296,585,635)	(673,752)
Interest income	1,736,511	4,003,064
Interest expense	(275,461,575)	(19,292,676)
Taxation	(1,530,307)	-

The details of capital commitment relating to the Group's interest in joint ventures are disclosed in Note 36.

9. Interest in Joint Operations

The details of the joint operations are as follows:

Name of joint operations	Place of Business/ Country of Incorporation	Effective Economic Interest 2021 %	Effective Economic Interest 2020 %	Principal Activities
KACC-JAKS Joint Venture	Malaysia	50	50	Construction
JAKS-KACC Joint Venture	Malaysia	50	50	Construction
JAVEL-JAKS Joint Venture	Malaysia	50	50	Construction

10. Goodwill on Consolidation

	Group 2021 RM	Group 2020 RM
Cost		
At 1 January/31 December	211,092,762	211,092,762
Accumulated impairment loss		
At 1 January	134,956,770	82,956,770
Impairment for the financial year	23,635,992	52,000,000
At 31 December	158,592,762	134,956,770
Carrying amount		
At 31 December	52,500,000	76,135,992

10. Goodwill on Consolidation (cont'd)

Impairment testing for goodwill is done annually. The carrying values were allocated to 2 (2020: 2) of the Group's cash generating units ("CGUs"), for impairment testing as follows:

	Group	
	2021 RM	**2020 RM**
Construction	52,500,000	71,134,087
Property development and management of shopping mall	-	5,001,905
	52,500,000	76,135,992

Key assumptions used in value-in-use and fair value less costs of disposal calculations

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

(i) Construction

Cash flow projections used in these calculations were based on financial budgets approved by the management covering five (5) years.

	Group	
	2021 RM	**2020 RM**
Gross profit margin	8% - 10%	8% - 9%
Terminal growth rate	0.5%	0.5%
Pre-tax discount rate	7.2%	11%

A reasonable possible change in the key assumptions would not result in any impairment.

(ii) Property development and management of shopping mall

Considering the CGU's underlying assets comprise the shopping mall, the management estimated the recoverable amount of its goodwill, using fair value less costs of disposal of the shopping mall. Hence, the management engaged a firm of independent valuer to assess the fair value less costs of disposal of the shopping mall. The fair value is within Level 3 of the fair value hierarchy. Market price of comparable properties in close proximity are adjusted, either positively or negatively for differences in key attributes such as time, location, car park allocation, occupying rate, property condition, size and age. The most significant input into this valuation approach is price per square foot of comparable properties.

(iii) Impairment loss

Based on management's impairment review:

(a) the carrying amount of the construction CGU amounting to RM71,134,087 (2020: RM105,134,087) was determined to be higher than its recoverable amount of RM52,500,000 (2020: RM71,134,087) and an impairment loss of RM18,634,087 (2020: RM34,000,000) was recognised.

(b) the carrying amount of the property development and management of shopping mall CGU amounting to RM5,001,905 (2020: RM23,001,905) was determined to be higher than its recoverable amount of Nil (2020: RM5,001,905) and an impairment loss of RM5,001,905 (2020: RM18,000,000) was recognised.

The impairment loss was recognised in administrative expenses in the statements of profit or loss and other comprehensive income.

Notes To The Financial Statements
(cont'd)

11. Golf Club Memberships

	Group 2021 RM	Group 2020 RM
Non-current		
At cost		
At 1 January/31 December	600,000	600,000
Less: Accumulated amortisation		
At 1 January	118,424	110,529
Amortisation for the financial year	7,895	7,895
At 31 December	126,319	118,424
Less: Accumulated impairment loss		
At 1 January/31 December	171,051	171,051
Carrying amount		
At 31 December	302,630	310,525

The golf club membership is amortised over the period of 78 years which expires on 31 December 2082.

12. Inventories

	Group 2021 RM	Group 2020 RM
Current		
Property development costs (Note a)	-	-
Completed properties (Note b)	483,400	483,400
	483,400	483,400

(a) Property development costs

	Group 2021 RM	Group 2020 RM
Leasehold land, at cost		
At 1 January	-	107,482,006
Less: Disposal of subsidiary company	-	(107,482,006)
At 31 December	-	-
Property development costs		
At 1 January	-	549,114,587
Additions	-	608,914
Less: Disposal of a subsidiary company	-	(549,723,501)
At 31 December	-	-

12. Inventories (cont'd)

(a) Property development costs (cont'd)

	Group 2021 RM	Group 2020 RM
Cost recognised in the statement of profit or loss and other comprehensive income		
At 1 January	-	581,051,565
Recognised during the financial year	-	11,543,826
Less: Disposal of a subsidiary company	-	(592,595,391)
At 31 December	-	-
Total property development costs	-	-

The property development costs of the Group represent expenditures incurred in relation to the mixed residential and commercial development.

(b) Completed properties

	Group 2021 RM	Group 2020 RM
At beginning of financial year	483,400	1,027,420
Disposal during the financial year	-	(544,020)
At end of financial year	483,400	483,400

The cost of inventories of completed properties was recognised as cost of sales during the financial year amounted to Nil (2020: RM544,020).

13. Trade Receivables

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Trade receivables	273,816,843	293,130,802	8,772,286	10,872,286
Less: Accumulated impairment losses	(48,289,010)	(41,728,618)	(8,772,286)	(8,772,286)
	225,527,833	251,402,184	-	2,100,000

Trade receivables are non-interest bearing and are generally on 14 to 90 days (2020: 14 to 90 days) term. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

The Group and the Company have other credit term and assessed and approved on a case to case basis, no concentration of credit risk except for the amounts owing by five (2020: five) and one (2020: one) which constituted approximately 29% (2020: 30%) and 54% (2020: 19%) of its trade receivables respectively as at the end of the reporting period.

Notes To The Financial Statements
(cont'd)

13. Trade Receivables (cont'd)

Included in trade receivables of the Group is an amount of RM35,230,499 (2020: RM35,539,792) due from a former subsidiary company. The amount is unsecured and interest free.

Included in trade receivables of the Group is an amount of RM2,473,148 (2020: RM5,329,038) due from one (2020: one) receivable jointly controlled by Directors of a subsidiary company. The amount is unsecured and interest free.

Included in trade receivable of the Group is an amount of RM3,868,865 (2020: RM12,730,481) due from one (2020: one) receivable which is a non-controlling interest of certain subsidiary companies. The amount is unsecured and interest free.

Movements in the allowance for impairment losses are as follows:

	Credit Impaired RM	Lifetime Allowance RM	Net amount RM
Group			
2021			
At 1 January	25,282,047	16,446,571	41,728,618
Impairment losses recognised	2,307,454	7,540,961	9,848,415
Impairment losses reversed	(3,227,923)	(60,100)	(3,288,023)
At 31 December	24,361,578	23,927,432	48,289,010
2020			
At 1 January	13,926,890	3,785,126	17,712,016
Impairment losses recognised	11,355,157	14,506,942	25,862,099
Impairment losses reversed	-	(1,841,590)	(1,841,590)
Amount written off	-	(3,907)	(3,907)
At 31 December	25,282,047	16,446,571	41,728,618
Company			
2021			
At 1 January/31 December	8,772,286	-	8,772,286
2020			
At 1 January/31 December	8,772,286	-	8,772,286

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group and the Company are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Notes To The Financial Statements
(cont'd)

13. Trade Receivables (cont'd)

The aged analysis of trade receivables as at the end of the reporting period:

	Gross amount RM	Loss allowance RM	Net amount RM
Group			
2021			
Neither past due nor impaired	128,640,838	-	128,640,838
Past due not impaired:			
Less than 30 days	702,119	(1,020)	701,099
31 to 60 days	5,349,537	(4,501)	5,345,036
61 to 90 days	57,825,602	(1,901)	57,823,701
More than 90 days	56,937,169	(23,920,010)	33,017,159
	249,455,265	(23,927,432)	225,527,833
Credit impaired:			
Individual impaired	24,361,578	(24,361,578)	-
	273,816,843	(48,289,010)	225,527,833
2020			
Neither past due nor impaired	77,964,548	-	77,964,548
Past due not impaired:			
Less than 30 days	305,302	(3,869)	301,433
31 to 60 days	4,438,372	(941)	4,437,431
61 to 90 days	27,635,704	(2,711)	27,632,993
More than 90 days	157,504,829	(16,439,050)	141,065,779
	267,848,755	(16,446,571)	251,402,184
Credit impaired:			
Individual impaired	25,282,047	(25,282,047)	-
	293,130,802	(41,728,618)	251,402,184
Company			
2021			
Credit impaired:			
Individual impaired	8,772,286	(8,772,286)	-
2020			
Past due not impaired:			
More than 90 days	2,100,000	-	2,100,000
Credit impaired:			
Individual impaired	8,772,286	(8,772,286)	-
	10,872,286	(8,772,286)	2,100,000

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group and the Company.

As at 31 December 2021, trade receivables of the Group and of the Company RM96,886,995 and Nil (2020: RM173,437,636 and RM2,100,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The trade receivables of the Group and of the Company that are individually assessed to be impaired amounting to RM24,361,578 and RM8,772,286 (2020: RM25,282,047 and RM8,872,286) respectively, related to customers that are in financial difficulties and have defaulted on payments.

Notes To The Financial Statements
(cont'd)

14. Contract Assets

	Group 2021 RM	Group 2020 RM
Contract costs incurred to date	3,402,739,527	3,187,827,043
Attributable profits	697,586,587	679,239,826
	4,100,326,114	3,867,066,869
Less: Progress billings	(3,897,659,782)	(3,587,865,154)
Exchange differences	5,109,867	(2,492,236)
	207,776,199	276,709,479
Presented as:		
Contract assets	207,776,199	276,709,479
Advances received from customer (included in other payables)	32,581,457	48,397,594
Retention sums on contracts (included in trade receivables)	18,198,920	37,574,557

As of the reporting date, revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) is RM89,555,739 (2020: RM446,549,350). The Group expects to recognise this revenue as the construction contracts are completed, which is expected to occur over the next 12 - 36 months.

15. Other Receivables

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Other receivables	167,787,811	165,414,396	-	2,182,667
Deposits	16,799,428	17,369,004	332,794	358,453
Prepayments	257,718	256,997	38,829	68,560
	184,844,957	183,040,397	371,623	2,609,680
Less: Accumulated impairment losses				
- Other receivables	(66,081,538)	(52,620,013)	-	-
	118,763,419	130,420,384	371,623	2,609,680

Included in other receivables of the Group are the following:

(i) an amount of RM36,615 (2020: RM36,615) due from one receivable which is controlled by a Director of a subsidiary company. The amount is unsecured, interest free and repayable on demand.

(ii) an amount of RM37,582,200 (2020: RM39,669,110) due from a former related company. The amount is unsecured, interest free and repayable on demand.

Notes To The Financial Statements
(cont'd)

15. Other Receivables (cont'd)

Movements in the allowance for impairment losses are as follows:

	Group 2021 RM	Group 2020 RM
At 1 January	52,620,013	7,288,048
Impairment losses recognised	13,461,525	45,331,965
At 31 December	66,081,538	52,620,013

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments.

16. Amount Due from/(to) Subsidiary Companies

	Company 2021 RM	Company 2020 RM
Amount due from subsidiary companies:		
Non-interest bearing		
Non-trade	676,858,844	569,244,388
Less: Accumulated impairment losses	(173,235,999)	(67,530,590)
	503,622,845	501,713,798
Amount due to subsidiary companies:		
Non-interest bearing		
Non-trade	(54,514,485)	(204,949,447)

Amount due from/(to) subsidiary companies are unsecured and repayable on demand.

Movements in the allowance for impairment losses are as follows:

	Company 2021 RM	Company 2020 RM
As at 1 January	67,530,590	85,337,581
Impairment losses recognised	107,444,415	12,685,247
Impairment losses reversed	(1,739,006)	-
Amount written off	-	(30,492,238)
At 31 December	173,235,999	67,530,590

The loss allowance account in respect of amount due from subsidiary companies is used to record loss allowance. Unless the Group and the Company are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Notes To The Financial Statements
(cont'd)

17. Amount Due from Joint Ventures

	Group 2021 RM	Group 2020 RM
Non-interest bearing		
Non-trade	10,596,107	10,588,402
Less: Accumulated impairment losses	(325,901)	-
	10,270,206	10,588,402

Amount due from joint ventures are unsecured and repayable on demand.

Movements in the allowance for impairment losses are as follows:

	Group 2021 RM	Group 2020 RM
As at 1 January	-	-
Impairment losses recognised	325,901	-
At 31 December	325,901	-

18. Deposits Placed with Licensed Banks

Deposits placed with licensed banks are pledged to the banks to secure bank borrowings granted to the Group as disclosed in Note 22.

The effective interest rates for the Group's deposits range from 1.3% to 1.8% (2020: 2.50% to 3.25%) per annum respectively.

19. Cash and Bank Balances

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Housing development accounts	221,052	221,052	-	-
Project development accounts	8,801	8,801	-	-
Debt service reserve accounts	3,870,847	3,776,044	-	-
Cash and bank balances	84,618,652	124,497,264	38,944,971	93,403,765
	88,719,352	128,503,161	38,944,971	93,403,765
Less: Deposits pledged with licensed banks	(3,870,847)	(3,776,044)	-	-
	84,848,505	124,727,117	38,944,971	93,403,765

(a) Housing Development Accounts are maintained pursuant to the Housing Development (Control and Licensing) Act, 1966 in connection with the Group's property development projects. The utilisation of these balances are restricted before completion of the housing development projects and fulfilling all relevant obligations to the purchasers and therefore restricted from use in other operations.

(b) Project Development Account and Debt Service Reserve Account are pledge as security for bank borrowings as disclosed in Note 22.

(c) Included in cash and bank balances of the Group is RM3,870,847 (2020: RM3,776,044) relating Escrow Account and Operating Account pledged for bank borrowings as disclosed in Note 22.

20. Share Capital

	Group and Company			
	Number of shares		Amount	
	2021 Unit	2020 Unit	2021 RM	2020 RM
Ordinary share with no par value				
Issued and fully paid:				
At 1 January	1,755,166,607	643,118,445	924,998,424	659,642,281
Rights issue	-	1,080,101,412	-	237,622,311
Exercise of warrants	14,484,000	12,001,750	7,097,160	10,680,857
Issuance of shares under private placement	272,667,000	-	129,516,825	-
Issuance of shares under share grant plan	-	19,945,000	-	17,052,975
At 31 December	2,042,317,607	1,755,166,607	1,061,612,409	924,998,424

During the financial year, the Company issued:

(a) 14,484,000 new ordinary shares at an exercise price of RM0.49 each pursuant to the exercise of Warrant C 2020/2025; and

(b) 272,667,000 placement shares at an issue price of RM0.475 each under Private Placement.

In the previous financial year, the Company issued:

(a) 1,080,101,412 new ordinary shares ("Rights shares") pursuant at the renounceable right issue on the baiss of eight (8) right s issue for every five (5) existing ordinary shares held in the Company ("Rights Issue") at an issue price of RM0.22 per Rights Share for cash.

(b) 19,945,000 new ordinary shares pursuant to Company's Share Grant Plant ("SGP") under Long Term Incentive Plan.

(c) 12,000,000 new ordinary shares at an exercise price of RM0.64 pursuant to the exercise of Warrant B 2018/2023;

(d) 1,750 new ordinary shares at an exercise price of RM0.49 pursuant to the exercise of Warrant C 2020/2025

The new shares issued shall rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meeting of the Company.

Notes To The Financial Statements
(cont'd)

21. Reserves

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Non-distributable					
Translation reserves	(a)	(9,608,879)	(16,508,059)	-	-
LTIP reserves	(b)	9,038,100	2,576,100	9,038,100	2,576,100
Warrants reserves	(c)	238,088,718	244,027,158	238,088,718	244,027,158
Other reserves		(215,481,610)	(221,420,050)	(215,481,610)	(221,420,050)
		22,036,329	8,675,149	31,645,208	25,183,208
Distributable					
Retained earnings		257,095,846	210,275,684	94,988,143	14,717,432
		279,132,175	218,950,833	126,633,351	39,900,640

(a) Foreign currency translation reserves

Foreign currency translation reserve represents the exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

(b) Long Term Incentive Plan ("LTIP") reserves

The LTIP reserve comprises the cumulative value of employee services received for the issue of share options. When the option is exercised, the amount from the reserve is transferred to share capital. When the share options expire, the amount from the reserve is transferred to retained earnings. Share option is disclosed in Note 32.

(c) Warrants reserves

(i) Warrant B 2018/2023

On 13 December 2018, the Company allotted and issued 102,428,430 new Warrant B 2018/2023 ("Warrants") at an issue price of RM0.25 per Warrant on the basis of 1 Warrant for every 2 existing ordinary shares held in the Company ("Right Issue of Warrants").

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 13 December 2023. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 13 December 2018 to 13 December 2023, at an exercise price of RM0.64 per Warrant in accordance with the Deed Poll dated 5 November 2018. Any Warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

There were no movements in the Company's Warrant B 2018/2023 during the financial year. As at 31 December 2021, 171,488,238 warrants remained unexercised.

In the previous financial year, the exercise price and the number of Warrant B 2018/2023 have been adjusted in accordance with the provisions of the Deed Poll as a result of the Rights Issue. The exercise price was adjusted from RM0.64 to RM0.34.

21. Reserves (cont'd)

(c) Warrants reserves (cont'd)

(ii) Warrant C 2020/2025

On 19 November 2020, the Company issued 540,050,650 free warrants pursuant to the Rights Issue on the basis of one (1) free warrant for every two (2) Rights Shares subscribed by the entitled shareholders of the Company.

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 18 November 2025. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 19 November 2020 to 18 November 2025, at an exercise price of RM0.49 per warrant in accordance with the Deed Poll dated 13 October 2020. Any warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

During the financial year, 14,484,000 warrants were exercised at the exercise price of RM0.49 each. As at 31 December 2021, 525,564,900 warrants remained unexercised.

In the previous financial year, 1,750 warrants were exercised at the exercise price of RM0.49 each. As at 31 December 2020, 540,048,900 warrants remained unexercised.

22. Bank Borrowings

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Secured				
Non-current liability				
Term loans	305,951,303	318,812,493	-	-
Current liabilities				
Term loans	12,806,000	-	-	-
Trade commodity financing	24,978,699	30,852,986	-	-
Bill payables	20,061,187	26,175,516	-	-
Revolving credits	2,000,000	-	2,000,000	-
Bank overdrafts	6,243,271	8,193,362	-	-
Factoring payables	-	3,057,819	-	-
	66,089,157	68,279,683	2,000,000	-
Total borrowings				
Term loans	318,757,303	318,812,493	-	-
Trade commodity financing	24,978,699	30,852,986	-	-
Bill payables	20,061,187	26,175,516	-	-
Revolving credits	2,000,000	-	2,000,000	-
Bank overdrafts	6,243,271	8,193,362	-	-
Factoring payables	-	3,057,819	-	-
	372,040,460	387,092,176	2,000,000	-

Notes To The Financial Statements
(cont'd)

22. Bank Borrowings (cont'd)

The maturity of bank borrowings is as follows:-

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Within one year	66,089,157	68,279,683	2,000,000	-
Later than one year and not later than two years	37,094,000	14,394,000	-	-
Later than two years and not later than five years	69,300,000	85,000,000	-	-
Later than five years	199,557,303	219,418,493	-	-
	372,040,460	387,092,176	2,000,000	-

The range of interest rates per annum at the reporting date for borrowings were as follows:

	Group		Company	
	2021 %	2020 %	2021 %	2020 %
Term loans	6.00 - 6.40	6.00 - 7.65	-	-
Trade commodity financing	4.33 - 4.63	5.57 - 6.11	-	-
Bill payables	3.84 - 3.95	3.49 - 8.07	-	-
Revolving credits	6.20 - 6.25	4.50	6.20 - 6.25	-
Bank overdrafts	4.37 - 8.28	6.37 - 8.77	-	-
Factoring payables	12.00	12.00	-	-

The term loans, bill payables, trade commodity financing, revolving credits, factoring payables and bank overdrafts of the Group and of the Company are secured by the following:

(i) fixed charges over certain investment properties as disclosed in Note 5;

(ii) legal assignment of all cashflows, sale or tenancy agreements, insurance policies, construction contracts, construction guarantees and performance bonds in relation to a project developed by certain subsidiary companies;

(iii) fixed and floating charge over the present and future assets of certain subsidiary companies;

(iv) first legal charge over the equity acquired in a subsidiary company;

(v) facilities agreements together with interest, commission and all other charges thereon;

(vi) assignment over proceeds under certain invoices, contracts, Letter of Notification and Letter of Instruction;

(vii) assignment of all dividends and/or distribution from a subsidiary company's shares;

(viii) negative pledge over certain subsidiary companies' assets both present and future;

(ix) corporate guarantees provided by the Company, a subsidiary company, and a non- controlling interest;

(x) personal guarantee by certain Directors of subsidiary company;

(xi) deposits, debt service reserve, housing development account, project development account, escrow and operating account as indicated in Notes 18 and 19;

22. Bank Borrowings (cont'd)

The term loans, bill payables, trade commodity financing, revolving credits, factoring payable and bank overdrafts of the Group and of the Company are secured by the following: (cont'd)

(xii) specific debenture by way of fixed and floating charge over investment properties as disclosed in Note 5;

(xiii) lodgement of private caveat over strata titles of the investment properties as disclosed in Note 5;

(xiv) legal assignment of the present and future proceeds from the car parks' and investment properties' rental income of certain subsidiary companies; and

(xv) first legal charge over all its unencumbered shares of a non-controlling interest of a subsidiary company.

23. Lease Liabilities

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
At 1 January	272,115	1,511,817	207,183	1,317,130
Additions	457,012	35,467	-	-
Lease modification	-	(801,135)	-	(801,135)
Payments	(218,924)	(474,034)	(77,461)	(308,812)
At 31 December	510,203	272,115	129,722	207,183
Presented as:				
Non-current	257,112	129,722	48,777	129,722
Current	253,091	142,393	80,945	77,461
	510,203	272,115	129,722	207,183

The maturity analysis of lease liabilities of the Group and of the Company at the end of the reporting period:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Within one year	268,961	153,183	84,864	84,864
Later than one year and not later than two years	266,858	84,864	49,454	84,864
Later than two years and not later than five years	-	49,454	-	49,454
	535,819	287,501	134,318	219,182
Less: Future finance charges	(25,616)	(15,386)	(4,596)	(11,999)
Present value of lease liabilities	510,203	272,115	129,722	207,183

The Group leases land and building and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Notes To The Financial Statements
(cont'd)

24. Deferred Tax Liabilities

	Group 2021 RM	Group 2020 RM
At 1 January	100,721	-
Recognised in profit or loss	2,674	45,232
(Over)/under provision in prior years	(16,014)	55,489
At 31 December	87,381	100,721

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follow:

	Group 2021 RM	Group 2020 RM
Deferred tax liabilities	89,819	128,474
Deferred tax assets	(2,438)	(27,753)
	87,381	100,721

The movements and components of the deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

	Group 2021 RM	Group 2020 RM
Deferred tax liabilities		
Accelerated capital allowances		
At 1 January	128,474	36,517
Recognised in profit or loss	(22,641)	36,468
(Over)/Under provision in prior years	(16,014)	55,489
At 31 December	89,819	128,474
Deferred tax assets		
Unabsorbed capital allowances		
At 1 January	(27,753)	(36,517)
Recognised in profit or loss	25,315	8,764
At 31 December	(2,438)	(27,753)

The deferred tax assets have not been recognised in respect of the following items:

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Unabsorbed capital allowances	7,892,718	7,743,816	-	-
Unutilised tax losses	220,367,637	183,741,805	1,026,932	988,093
Other deductible temporary differences	69,530,583	45,983,448	11,910	-
	297,790,938	237,469,069	1,038,842	988,093

24. Deferred Tax Liabilities (cont'd)

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the unutilised tax losses of the Group and of the Company will be imposed with a time limit of utilisation. Any accumulated unutilised tax losses brought forward can be carried forward for a maximum period of 7 consecutive years of assessment. With effect from year of assessment 2022, unutilised tax losses that were allowed to be carried forward up to seven consecutive years was extended to a maximum of ten consecutive years of assessment under the current tax legislation. The other temporary differences not expire under current tax legislation.

25. Trade Payables

	Group	
	2021 **RM**	**2020** **RM**
Trade payables	283,117,256	358,290,724

The normal trade credit terms granted to the Group range from 1 to 90 (2020: 1 to 90) days from date of invoice.

26. Other Payables

	Group		Company	
	2021 **RM**	**2020** **RM**	**2021** **RM**	**2020** **RM**
Other payables	66,220,409	58,380,149	1,276,465	788,849
Advance payment on construction contract	32,581,457	48,397,594	-	-
Deposits received	34,162,817	31,840,478	29,232,000	28,091,000
Liquidated ascertained damages and disputed performance liability	1,815,648	1,815,648	-	-
Accruals	81,909,129	100,211,951	1,662,791	21,675,335
	216,689,460	240,645,820	32,171,256	50,555,184

Included in other payables of the Group is an amount of RM1,863,898 (2020: RM3,014,011) due to one (2020: one) payables which are jointly controlled by Directors of a subsidiary company. The amount is unsecured, interest free and repayable on demand.

Notes To The Financial Statements
(cont'd)

26. Other Payables (cont'd)

The movements in provision for liquidated ascertained damages and disputed performance liability are as follows:

	Group	
	2021 RM	2020 RM
As at 1 January	1,815,648	145,135,782
Current year provision	-	29,512,924
Disposal of a subsidiary company	-	(172,833,058)
As at 31 December	1,815,648	1,815,648

Provision for liquidated ascertained damages refer to liquidated ascertained damages expected to be claimed by the customers based on the terms of the applicable sale and purchase agreements.

27. Revenue

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Revenue from contract with customer:				
Property development activities	-	12,859,548	-	-
Less: Provision for liquidated ascertained damages	-	(29,512,924)	-	-
	-	(16,653,376)	-	-
Construction contract works	100,975,648	263,172,417	-	-
Sales of goods	15,225	98,043	-	-
Management fees	-	-	7,800,000	8,600,000
	100,990,873	246,617,084	7,800,000	8,600,000
Revenue from other sources:				
Dividend income	-	-	186,480,000	204,687,500
Property investment	7,153,946	4,353,186	-	-
	7,153,946	4,353,186	186,480,000	204,687,500
	108,144,819	250,970,270	194,280,000	213,287,500
Timing of revenue recognition:				
At a point in time	15,225	98,043	-	-
Over time	100,975,648	246,519,041	7,800,000	8,600,000
Total revenue from contracts with customers	100,990,873	246,617,084	7,800,000	8,600,000

27. Revenue (cont'd)

Breakdown of the Group's revenue from contract with customers:

	Construction RM	Trading and services RM	Property development RM	Total RM
2021				
Major goods and services:				
Sales of goods	-	15,225	-	15,225
Construction contract revenue	100,975,648	-	-	100,975,648
Total revenue from contract with customers	100,975,648	15,225	-	100,990,873
2020				
Major goods and services:				
Property development activities	-	-	(16,653,376)	(16,653,376)
Sales of goods	-	98,043	-	98,043
Construction contract revenue	263,172,417	-	-	263,172,417
Total revenue from contract with customers	263,172,417	98,043	(16,653,376)	246,617,084

28. Finance Costs

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Interest expenses on:				
Bank overdrafts	425,401	702,103	-	-
Bill payables	980,606	1,713,407	-	-
Lease liabilities	12,428	58,067	7,403	46,052
Term loans	19,407,234	20,652,952	-	-
Bank guarantee	19,551	29,954	-	-
Revolving credits	21,145	258,025	21,145	-
Trade commodity financing	1,017,140	1,921,672	-	-
Factoring payables	96,510	76,445	-	-
	21,980,015	25,412,625	28,548	46,052

Notes To The Financial Statements
(cont'd)

29. Profit/(Loss) Before Tax

Profit/(Loss) before tax is determined after charging/(crediting) amongst other, the following items:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Auditors' remuneration(Note 29a)	315,647	430,102	125,000	149,000
Amortisation of golf club memberships	7,895	7,895	-	-
Bad debts written off	2,710,823	-	-	-
Non-Executive Directors' remuneration:				
- Fees	480,000	408,000	480,000	408,000
- Other emoluments	150,000	143,500	150,000	143,500
Depreciation of:				
- Property, plant and equipment	1,912,608	1,929,575	45,354	45,239
- Investment properties	13,710,444	16,965,760	-	-
- Right-of-use assets	201,778	533,764	83,599	358,895
Dividend inome	-	-	(186,480,000)	(204,687,500)
Gain on disposal of:				
- Property, plant and equipment	(65,997)	(52,795)	(24,000)	-
- Subsidiary companies	-	(89,114,428)	-	-
Unrealised Loss/(Gain) on foreign exchange	5,993,004	(2,500,603)	(13,127,597)	4,500,686
Net loss on impairment of financial instruments:				
- Impairment loss on:				
- Amounts due from subsidiary companies	-	-	107,444,415	12,685,247
- Trade receivables	9,848,415	25,862,099	-	-
- Other receivables	13,461,525	45,331,965	-	-
- Joint Ventures	325,901	-	-	-
- Reversal of impairment loss on:				
- Amounts due from subsidiary companies	-	-	(1,739,006)	-
- Trade receivables	(3,288,023)	(1,841,590)	-	-
	20,347,818	69,352,474	105,705,409	12,685,247
Impairment loss on non-financial assets:				
- Goodwill on consolidation	23,635,993	52,000,000	-	-
- Investment properties	5,968,836	570,700	-	-
- Investment in subsidiary companies	-	-	-	60,000,000
Interest income	(1,386,692)	(1,001,369)	-	-
Lease expenses relating to short-term leases	45,750	48,140	-	-
Lease income	(698,420)	-	-	-
Loss on modification of lease contract	-	24,749	-	24,749
LTIP expenses	6,462,000	17,052,975	6,462,000	17,052,975
Management fees	647,098	697,104	(7,800,000)	(8,600,000)
Provision for liquidated ascertained damages	-	29,512,924	-	-
Share of result of joint venture	(140,712,923)	(3,763,103)	-	-

29. Profit/(Loss) Before Tax (cont'd)

(a) Auditors' remuneration

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Auditors' remuneration				
- Audit fee				
- Current year	293,343	363,102	82,000	82,000
- Over provision in prior years	(20,696)	-	-	-
- Non-audit fee				
- Current year	30,000	67,000	30,000	67,000
- Under provision in prior years	13,000	-	13,000	-
	315,647	430,102	125,000	149,000

30. Taxation

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Tax expenses recognised in profit or loss				
Current income tax:				
Current tax provision				
- in Malaysia	158,622	7,725	158,622	-
- outside Malaysia	399,869	561,119	-	-
(Over)/Under provision in prior years	(353)	17,526,368	-	10,202,767
	558,138	18,095,212	158,622	10,202,767
Deferred tax (Note 24):				
Relating to origination and reversal of temporary differences	2,674	45,232	-	-
(Over)/Under provision in prior years	(16,014)	55,489	-	-
	(13,340)	100,721	-	-
Tax expenses for the financial year	544,798	18,195,933	158,622	10,202,767

Malaysian income tax is calculated at the statutory tax rate of 24% (2020: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

Notes To The Financial Statements
(cont'd)

30. Taxation (cont'd)

A reconciliation of income tax expenses applicable to profit/(loss) before tax at the statutory tax rate to income tax expenses at the effective tax rate of the Group and of the Company are as follows:

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Profit/(Loss) before tax	30,293,982	(110,306,126)	86,250,535	104,475,508
At Malaysian statutory rate of 24%(2020: 24%)	7,270,556	(26,473,470)	20,700,128	25,074,122
Income not subject to tax	(24,609,542)	(17,171,550)	(44,755,200)	(49,125,000)
Expenses not deductible for tax purposes	34,906,622	42,218,410	24,201,514	24,254,856
Deferred tax assets not recognised	14,482,049	13,751,007	12,180	-
Utilisation of previously unrecognised deferred tax assets	(4,800)	(203,978)	-	(203,978)
Share of result of joint venture	(33,771,102)	(903,145)	-	-
(Over)/Under provision of taxation in prior years	(353)	17,526,368	-	10,202,767
(Over)/Under provision of deferred tax in prior years	(16,014)	55,489	-	-
Effect of different tax rate for other jurisdiction	2,287,382	(10,603,198)	-	-
Tax expenses for the financial year	544,798	18,195,933	158,622	10,202,767

The Group and the Company have the following estimated unutlised tax losses and unabsorbed capital allowances available to carry forward to offset against future taxable profit. The said amounts are subject to approval by the tax authorities.

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Unabsorbed capitalallowances	7,902,877	7,859,456	11,910	-
Unutilised tax losses	220,367,640	183,741,804	1,026,932	988,093
	228,270,517	191,601,260	1,038,842	988,093

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the unutilised tax losses of the Group and of the Company will be imposed with a time limit of utilisation. Any accumulated unutilised tax losses brought forward can be carried forward for a maximum period of 7 consecutive years of assessment. With effect from year of assessment 2022, unutilised tax losses that were allowed to be carried forward up to seven consecutive years was extended to a maximum of ten consecutive years of assessment under the current tax legislation. The unabsorbed capital allowances do not expire under current tax legislation.

30. Taxation (cont'd)

Pursuant to Section 44(5F) of the Income Tax Act 1967, the unutilised tax losses can only be carried forward until the following years of assessment.

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Unutilised tax losses to be carried forward until:				
- 2025	-	89,114,455	-	988,093
- 2026	-	66,802,901	-	-
- 2027	-	27,824,449	-	-
- 2028	89,114,455	-	988,093	-
- 2029	66,802,901	-	-	-
- 2030	27,824,449	-	-	-
- 2031	36,625,832	-	38,839	-
	220,367,637	183,741,805	1,026,932	988,093

31. Earnings/(Loss) per Share

(a) Basic earnings/(loss) per share

The basic earnings/(loss) per share are calculated based on the consolidated profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2021 RM	2020 RM
Net profit/(loss) for the financial year, attributable to owners of the parent	51,759,460	(84,560,565)
Weighted average number of ordinary shares in issue*	1,897,304,043	783,937,306
Basic earnings/(loss) per share(in sen)	2.73	(10.79)

Notes To The Financial Statements
(cont'd)

31. Earnings/(Loss) per Share (cont'd)

(b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per share has been calculated based on the adjusted consolidated profit for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	Group	
	2021 RM	2020 RM
Net profit/(loss) attributable to owners of the parent	51,759,460	(84,560,565)
Weighted average number of ordinary shares used in the calculation of basic earnings per share*	1,897,304,043	783,937,306
Adjustment for incremental shares from assumed exercise of:		
- Warrants	-	71,606,438
Weighted average number of ordinary shares at 31 December (diluted)	1,897,304,043	855,543,744
Diluted earnings/(loss) per share (in sen)	2.73	(9.88)

* Comparative figures for the weighted avenge number of ordinary shares for both the basic and diluted earnings per share computations have been restated to reflect the adjustments arising from the Rights Issue.

There have been no other transaction involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

32. Long Term Incentive Plan ("LTIP")

On 28 June 2016, the shareholders of JRB have at Extraordinary General Meeting approved the establishment of a LTIP of up to fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares) at any one time for the Directors and employees of JRB and its subsidiary companies. The Group's LTIP comprises of the Share Option Plan ("SOP") and Share Grant Plan ("SGP") for its employees.

(a) The maximum number of Shares to be allotted and issued pursuant to the LTIP shall not at any point in time in aggregate exceed fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares) at any one time.

(b) The basis of allocation of the number of shares which may be offered to an Eligible Person pursuant to LTIP shall be determined entirely at the discretion of the LTIP Committee. The LTIP Committee will ensure that there should be equitable allocation to the Eligible Persons, after taking into consideration, amongst others, the appraised performance, seniority and/or length of service, contributions to the success and development as well as such other criteria as the LTIP Committee may deem fit and relevant. The LTIP Committee has the discretion in determining whether the allocation available shall be staggered over the duration of the LTIP period.

32. Long Term Incentive Plan ("LTIP") (cont'd)

The salient terms of the LTIP are as follows: (cont'd)

(c) A person who fulfils the following criteria as at the date of an LTIP Grant shall be eligible to be considered by the LTIP Committee as an Eligible Person:

(i) has attained the age of eighteen (18) years;
(ii) has not been adjudicated a bankrupt;
(iii) has entered into a full-time or fixed-term contract of service/employment with any company within the Group;
(iv) whose service/employment has been confirmed in writing;
(v) a Director or Senior Management of JRB Group; and
(vi) has fulfilled any other eligibility criteria to be determined by the LTIP Committee from time to time at its discretion, as the case may be.

(d) The LTIP shall be in force for a duration of five (5) years from the effective date of the implementation. The LTIP may be extended or renewed for a further period of five (5) years, at the sole discretion of the Board upon recommendation of the LTIP Committee.

(e) All the new shares to be issued pursuant to the LTIP shall upon allotment and issue, rank pari passu in respects with the existing shares except that the new shares shall not be entitled to any dividends, rights, allotment and/or other distributions which entitlements date precedes the date of allotment of the said shares.

(f) In the case of the share grant, the shares will be vested with the grantee at no consideration on the vesting date. While in the case of share option, the option price shall be based on the 5 day weighted average market price of the underlying shares at the time the option is offered, with a discount of not more than 10%.

Share Option Plan ("SOP")

Movements in the number of share options and the exercise price are as follows:

	Group and Company Number of share option	
	2021 Unit	**2020 Unit**
At 1 January	15,673,619	8,310,000
Adjusted for Rights Issue	-	7,363,619
Additions	71,800,000	-
At 31 December	87,473,619	15,673,619
Exercise price (RM)	0.54 - 0.75	0.75
Options exercisable at 31 December	87,473,619	15,673,619

During the current and previous financial year, no share options were exercised.

Notes To The Financial Statements
(cont'd)

32. Long Term Incentive Plan ("LTIP") (cont'd)

Share Option Plan ("SOP") (cont'd)

The fair value of share options granted to eligible employees and Directors, was determined using Black-Scholes Option Pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at the grant date and the input assumed by the Company in arising the fair value are as follows:

	Group and Company	
	2021	**2020**
Fair value (RM)	0.09	0.31
Share price (RM)	0.49	1.39
Exercise price (RM)	0.54 - 0.75	0.75
Expected volatility (%)	21.00%	34.38%
Expected life (years)	5 years	5 years
Risk-free interest rate (%)	2.00%	3.53%

Share Grant Plan ("SGP")

Movements in the number of shares granted and vested are as follows:

	Group and Company Number of share	
	2021 Unit	**2020 Unit**
At 1 January	-	-
Granted	-	19,945,000
Vested	-	(19,945,000)
At 31 December	-	-

The closing share price at the date of granting was Nil (2020: RM0.86) per ordinary share.

33. Staff Costs

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Fees	480,000	408,000	480,000	408,000
Salaries, wages and other emoluments	15,907,516	14,760,897	5,203,931	5,783,138
Defined contributions plan	1,533,714	1,334,622	646,283	694,698
Shares granted under LTIP	-	17,052,975	-	17,052,975
Shares option under LTIP	6,462,000	-	6,462,000	-
	24,383,230	33,556,494	12,792,214	23,938,811

33. Staff Costs (cont'd)

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company during the financial year as below:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Executive Directors				
Salaries, wages and other emoluments	3,330,500	2,754,900	3,330,500	2,754,900
Defined contributions plan	388,090	319,918	388,090	319,918
Shares granted under LTIP	-	13,534,650	-	13,534,650
Shares option under LTIP	2,970,000	-	2,970,000	-
	6,688,590	16,609,468	6,688,590	16,609,468

The estimated monetary value of Directors' benefit-in-kind is RM62,800 (2020: RM55,300).

34. Contingent Liability

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Unsecured				
Bank guarantees issued for execution of contracts of the subsidiary companies	57,219,097	41,202,615	-	-
Corporate guarantees given to licensed banks to secure credit facilities granted to the subsidiary companies	-	-	372,147,782	387,092,176
	57,219,097	41,202,615	372,147,782	387,092,176

35. Related Party Disclosures

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and certain members of senior management of the Group.

Notes To The Financial Statements
(cont'd)

35. Related Party Disclosures (cont'd)

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group 2021 RM	Group 2020 RM
Group		
Rental expense paid to a non-controlling interest of a subsidiary company	55,200	55,200
Acquisition of investment properties from a company in which certain Directors of a subsidiary company have substantial interest	2,640,000	-
Progress billing received/receivable from joint venture	118,836,357	192,792,598
Disposal of JIC to a company in which a Director of a subsidiary company has substantial interest	-	1
Company		
Management fees received/receivable from subsidiary companies	7,800,000	8,600,000
Dividend income received/receivable from subsidiary company	186,480,000	204,687,500

(c) Compensation of key management personnel

Compensation of key management personnel is as follow:

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Short term employees benefits	8,787,458	5,250,376	5,938,993	4,547,100
Defined contribution plans	819,646	547,955	619,898	472,510
Shares granted under LTIP	-	17,052,975	-	13,534,650
Shares option under LTIP	5,823,000	-	3,951,000	-
	15,430,104	22,851,306	10,509,891	18,554,260

Included in compensation of key management personnel is remuneration of Directors as disclosed in Notes 29 and 33.

36. Commitment

(a) Capital commitment

	Group	
	2021	**2020**
	RM	**RM**
Capital contribution contracted but not provided for in respect of shares subscription in JAKS Pacific Power Limited, a joint venture of the Group, amounted to Nil (2020: USD22.1million)#	-	88,837,788

\# If JAKS Power Holding Limited ("JPH"), a subsidiary company of the Company, fails or refuses to contribute Shareholder's Funding in the manner contemplated in the Subscription Agreement, China Power Engineering Consulting Group Co. Ltd ("CPECC") is obliged to do the following:-

(i) CPECC shall provide Shareholder Funding to JAKS Pacific Power Limited ("JPP") in lieu of such Shareholder Funding that was contemplated to be paid by JPH, and CPECC may subscribe for a corresponding number of additional Redeemable Convertible Preference Shares ("RCPS"), which subscription shall result in the dilution of the Effective Economic Interest of JPH in JPP; and/or

(ii) CPECC shall provide Shareholder Funding to JPP by way of interest-bearing shareholder's loan to JPP to cover such Shareholder Funding that is outstanding from JPH to cover such Shareholder Funding that is outstanding from JPH. JPH shall rectify its default and restore CPECC as soon as possible but in any event no later than three (3) months from the date of default, failing which CPECC, have the rights, at any time to convert the said shareholder's loans to additional RCPS of equivalent amount of the outstanding Shareholder Funding at the conversion ratio of 1 RCPS for each USD 1.00 of the outstanding shareholder's loan.

(b) Operating lease commitments – as lessor

The Group leases out its investment properties (Note 5(a)). The future minimum lease receivables under non-cancellable leases are as follows:

	Group	
	2021	**2020**
	RM	**RM**
Less than 1 year	906,560	2,105,475
Between 1 and 5 years	158,333	944,831
	1,064,893	3,050,306

Notes To The Financial Statements
(cont'd)

37. Segment Information

For management purposes, the Group is organised into business units based on their products and services, and has five (5) reportable segments as follows:

Manufacturing	:	Comprise mainly manufacturing of pipes.
Trading	:	Comprise mainly trading in sheet piles, steel bars, mild steel and special pipes, other steel related products, building materials and supply of products for water supply industry.
Construction	:	Comprise mainly provision of sub-contracting activities, general contractor, supplier of building materials and also construction.
Property Development/ Property Investment	:	Development of residential and commercial properties and management of shopping mall.
Others	:	Investment holding.

There are varying levels of integration between the segments such as the transfer of raw materials and shared distribution and administrative services. Inter-segment pricing is determined on negotiated basis.

Segment performance is evaluated based on segment profit/(loss) before tax and is measured consistently with profit or loss in the consolidated financial statements.

Segment assets and liabilities information are not regularly provided to the chief operating decision-maker. Hence, no disclosure is made on segment assets and liabilities.

37. Segment Information (cont'd)

Group	Trading RM	Construction RM	Property Development/ Property Investment RM	Others RM	Manufacturing RM	Adjustment/ Elimination RM	Total RM
2021							
Revenue							
External revenue	15,225	100,975,648	7,153,946	-	-	-	108,144,819
Inter-company	5,299,281	-	-	194,760,000	-	(200,059,281)	-
	5,314,506	100,975,648	7,153,946	194,760,000	-	(200,059,281)	108,144,819
Results							
Segment results	(409,799)	(27,694,844)	(25,066,919)	35,394,593	(26,443)	(75,170,016)	(92,973,428)
Other income	22,358	1,255,561	2,033,711	1,202,873	19,999	-	4,534,502
Finance costs -(net)	(163,077)	(2,378,133)	(19,410,257)	(28,548)	-	-	(21,980,015)
Share of results of joint ventures	-	-	-	-	-	140,712,923	140,712,923
(Loss)/Profit before tax	(550,518)	(28,817,416)	(42,443,465)	36,568,918	(6,444)	65,542,907	30,293,982
2020							
Revenue							
External revenue	98,043	263,172,417	(12,300,190)	-	-	-	250,970,270
Inter-company	-	10,473,021	-	213,287,500	-	(223,760,521)	-
	98,043	273,645,438	(12,300,190)	213,287,500	-	(223,760,521)	250,970,270
Results							
Segment results	(471,720)	4,805,356	(63,021,571)	101,716,762	(114,611)	(228,656,363)	(185,742,147)
Other income	315,319	888,537	414,220	7,062,066	39,181	88,366,220	97,085,543
Finance costs - (net)	(373,013)	(4,337,539)	(20,656,021)	(46,052)	-	-	(25,412,625)
Share of results of joint ventures	-	-	-	-	-	3,763,103	3,763,103
(Loss)/Profit before tax	(529,414)	1,356,354	(83,263,372)	108,732,776	(75,430)	(136,527,040)	(110,306,126)

Notes To The Financial Statements
(cont'd)

37. Segment Information (cont'd)

Geographical Segments

Segment information is presented in respect of the Group's geographical segments. The geographical segments are based on the Group's management and internal reporting structure.

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment non-current assets are based on the geographical location of assets. The Group's principal geographical areas for its operations are located in Malaysia and Vietnam.

	Malaysia RM	Vietnam RM	Total RM
2021			
Revenue from external customer by location of customer	61,700,585	46,444,234	108,144,819
Segment non-current assets	1,478,429,773	-	1,478,429,773
2020			
Revenue from external customer by location of customer	91,901,668	159,068,602	250,970,270
Segment non-current assets	1,284,256,838	-	1,284,256,838

Major customers

The following are major customers with revenue equal or more than 10% of the Group total revenue:

	Revenue		
	2021 RM	2020 RM	Segment
Customer A	46,444,234	159,068,602	Construction

38. Financial Instruments

(a) Classification of financial instruments

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	At amortised cost	
	2021 RM	2020 RM
Group		
Financial Assets		
Trade receivables	225,527,833	251,402,184
Other receivables	118,505,701	130,163,387
Amount due from joint ventures	10,270,206	10,588,402
Fixed deposits with licensed banks	55,196,204	46,079,058
Cash and bank balances	88,719,352	128,503,161
	498,219,296	566,736,192

Notes To The Financial Statements
(cont'd)

38. Financial Instruments (cont'd)

(a) Classification of financial instruments (cont'd)

	At amortised cost 2021 RM	2020 RM
Financial Liabilities		
Trade payables	283,117,256	358,290,724
Other payables	216,689,460	240,645,820
Bank borrowings	372,040,460	387,092,176
Lease liabilities	510,203	272,115
	872,357,379	986,300,835
Company		
Financial Assets		
Trade receivables	-	2,100,000
Other receivables	332,794	2,541,120
Amount due from subsidiary companies	503,622,845	501,713,798
Cash and bank balances	38,944,971	93,403,765
	542,900,610	599,758,683
Financial Liabilities		
Other payables	32,171,256	50,555,184
Amount due to subsidiary companies	54,514,485	204,949,447
Bank borrowings	2,000,000	-
Lease liabilities	129,722	207,183
	88,815,463	255,711,814

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group and the Company operates within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and deposits with banks and financial institutions. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies and financial guarantees given to banks and financial institutions for credit facilities granted to certain subsidiary companies. There are no significant changes as compared to prior periods.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

Notes To The Financial Statements
(cont'd)

38. Financial Instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

The Company provides unsecured advances to subsidiary companies. It also provides unsecured financial guarantees to banks and financial institutions for banking facilities granted to certain subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

At each reporting date, the Group and the Company assess whether any if the receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represents the Group's and the Company's maximum exposure to credit risk except for bank guarantee issued for execution of contracts of the subsidiary companies and financial guarantees provided to banks and financial institutions for banking facilities granted to certain subsidiary companies. The Group's maximum exposure in this respect is RM57.2 million (2020: RM41.20 million) while the Company's maximum exposure in this respect is RM372.15 million (2020: RM387.09 million), representing the bank guarantee issued and outstanding banking facilities of the subsidiary companies at the end of the reporting period. There was no indication that any subsidiary company would default on repayment as at the end of the reporting period.

The Group's has no significant concentration to credit risk except as disclosed in Notes 13 and 37. The Company has no significant concentration of credits risks except for advances to its subsidiary companies where risks of default have been assessed to be low.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

38. Financial Instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

(ii) Liquidity risk (cont'd)

	On demand or within 1 year RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Group					
2021					
Non-derivative financial liabilities					
Trade payables	283,117,256	-	-	283,117,256	283,117,256
Other payables	216,689,460	-	-	216,689,460	216,689,460
Bank borrowings	86,761,074	164,885,962	205,737,729	457,384,765	372,040,460
Lease liabilities	268,961	266,858	-	535,819	510,203
Financial guarantee*	57,219,097	-	-	57,219,097	-
	644,055,848	165,152,820	205,737,729	1,014,946,397	872,357,379
2020					
Non-derivative financial liabilities					
Trade payables	358,290,724	-	-	358,290,724	358,290,724
Other payables	240,645,820	-	-	240,645,820	240,645,820
Bank borrowings	89,195,497	179,213,026	266,703,253	535,111,776	387,092,176
Lease liabilities	153,183	134,318	-	287,501	272,115
Financial guarantee*	41,202,615	-	-	41,202,615	-
	729,487,839	179,347,344	266,703,253	1,175,538,436	986,300,835
Company					
2021					
Non-derivative financial liabilities					
Other payables	32,171,256	-	-	32,171,256	32,171,256
Amount due to subsidiary company	54,514,485	-	-	54,514,485	54,514,485
Bank borrowings	2,000,000	-	-	2,000,000	2,000,000
Lease liabilities	84,864	266,858	-	351,722	129,722
Financial guarantee*	372,147,782	-	-	372,147,782	-
	460,918,387	266,858	-	461,185,245	88,815,463
2020					
Non-derivative financial liabilities					
Other payables	50,555,184	-	-	50,555,184	50,555,184
Amount due to subsidiary company	204,949,447	-	-	204,949,447	204,949,447
Lease liabilities	84,864	134,318	-	219,182	207,183
Financial guarantee*	387,092,176	-	-	387,092,176	-
	642,681,671	134,318	-	642,815,989	255,711,814

* Being bank guarantees issued for execution of contracts of the subsidiary companies and corporate guarantee granted for banking facilities of certain subsidiary companies which will only be encashed in the event of default by these companies.

Notes To The Financial Statements
(cont'd)

38. Financial Instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

(iii) Market risk

(a) Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily United States Dollar (USD).

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	2021 RM	2020 RM
Group		
Denominated in United Stated Dollar		
Cash and bank balances	22,822,893	42,710,422
Other payables and accruals	(66,888,855)	(93,983,172)
	(44,065,962)	(51,272,750)
Company		
Denominated in United Stated Dollar		
Cash and bank balances	85,483	20,182,841
Capital contribution to a subsidiary company	585,765,508	474,046,103
Other payables and accruals	(29,232,000)	(44,901,955)
	556,618,991	449,326,989

Foreign currency sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

38. Financial Instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

(iii) Market risk (cont'd)

(a) Foreign currency risk (cont'd)

Foreign currency sensitivity analysis (cont'd)

The following table demonstrates the sensitivity of the Group's and of the Company's profit/(loss) before tax to a reasonably possible change in USD exchange rate against RM, with all other variables held constant.

	Change in currency rate RM	2021 Effect on profit before tax RM	2020 Effect on profit before tax RM
Group			
USD	Strengthened 10%	(4,406,596)	(5,127,275)
	Weakened 10%	4,406,596	5,127,275
Company			
USD	Strengthened 10%	55,661,899	44,932,699
	Weakened 10%	(55,661,899)	(44,932,699)

(b) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in market interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in market interest rates.

The Group manages the interest rate risk of its deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long term deposits.

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

Notes To The Financial Statements
(cont'd)

38. Financial Instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

(iii) Market risk (cont'd)

(b) Interest rate risk (cont'd)

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Fixed rate instruments				
Financial assets				
Deposits placed with licensed banks	55,196,204	46,079,058	-	-
Financial liabilities				
Factoring payables	-	(3,057,819)	-	-
Lease liabilities	(510,203)	(272,115)	(129,722)	(207,183)
Term loans	(318,757,303)	(318,812,493)	-	-
	(264,071,302)	(276,063,369)	(129,722)	(207,183)
Floating rate instruments				
Financial liabilities				
Bank overdrafts				
- secured	(6,243,271)	(8,193,362)	-	-
Bills payables	(20,061,187)	(26,175,516)	-	-
Revolving credits	(2,000,000)	-	(2,000,000)	-
Trade commodity financing	(24,978,699)	(30,852,986)	-	-
	(53,283,157)	(65,221,864)	(2,000,000)	-

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in market interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

An increase in 0.5% (2020: 0.5%) interest rate at the end of the reporting period would have decreased the Group's and Company's profit before tax by RM266,416 and RM10,000 (2020: RM326,109 and Nil). A decrease in 0.5% (2020: 0.5%) interest rate at the end of the reporting period would have had equal but opposite effect to the aforesaid amounts. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Fair values of financial instruments

The carrying amounts of short term receivables and payables, cash and cash equivalents and short term borrowings approximate their fair value due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

39. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

	At 1 January 2021 RM	Financing cash flow (i) RM	Non-cash changes Lease New lease RM	At 31 December 2021 RM
Group				
Lease liabilities	272,115	(218,924)	457,012	510,203
Term loans	318,812,493	(55,190)	-	318,757,303
Trade commodity financing	30,852,986	(5,874,287)	-	24,978,699
Bill payables	26,175,516	(6,114,329)	-	20,061,187
Revolving credits	-	2,000,000	-	2,000,000
Factoring payables	3,057,819	(3,057,819)	-	-
	379,170,929	(13,320,549)	457,012	366,307,392
Company				
Lease liabilities	207,183	(77,461)	-	129,722
Revolving credits	-	2,000,000	-	2,000,000
Amount due to subsidiary companies	204,949,447	(150,434,962)	-	54,514,485
	205,156,630	(148,512,423)	-	56,644,207

	At 1 January 2020 RM	Effects of adopting MFRS 16 RM	Financing cash flow (i) RM	Non-cash changes New lease RM	At 31 December 2020 RM
Group					
Lease liabilities	1,511,817	(474,034)	35,467	(801,135)	272,115
Term loans	320,000,000	(1,187,507)	-	-	318,812,493
Trade commodity financing	33,883,083	(3,030,097)	-	-	30,852,986
Bill payables	43,498,785	(17,323,269)	-	-	26,175,516
Revolving credits	11,500,000	(11,500,000)	-	-	-
Factoring payables	-	3,057,819	-	-	3,057,819
	410,393,685	(30,457,088)	35,467	(801,135)	379,170,929
Company					
Lease liabilities	1,317,130	(308,812)	-	(801,135)	207,183
Amount due to subsidiary companies	340,671,675	(135,722,228)	-	-	204,949,447
	341,988,805	(136,031,040)	-	(801,135)	205,156,630

(i) The cash flows make up the net amount of proceeds from or repayments of borrowings in the statements of cash flows.

Notes To The Financial Statements
(cont'd)

40. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital using a debt-to-equity ratio. The Group's policy is to maintain a prudent level of debt-to-equity ratio that complies with debt covenants and regulatory requirements. The debt-to-equity ratio at end of the reporting period are as follows:

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Total loans and borrowings	372,550,663	387,364,291	2,129,722	207,183
Less: Fixed deposits, cash and bank balances	(143,915,556)	(174,582,219)	(38,944,971)	(93,403,765)
Net debts	228,635,107	212,782,072	(36,815,249)	(93,196,582)
Total equity	1,340,744,584	1,143,949,257	1,188,245,760	964,899,064
Debt-to-equity ratio	0.17	0.19	N/A	N/A

There were no changes in the Group's approach to capital management during the financial year.

41. Material Litigation

(a) Star Media Group Berhad ("STAR") Claim

The Star Media Group Berhad ("STAR") had on 30 April 2019 served a Writ of Summons and Statement of Claims against the Company claiming that the Company as corporate guarantor to JAKS Island Circle Sdn Bhd ("JIC") is liable for JIC's purported default of obligations under the Sale and Purchase Agreement ("SPA") dated 19 August 2011 executed by STAR with JIC. The claim is for specific relief and damages for the total amount of RM177.7 million. On 27 May 2019, the Company also filed its Defence and Counterclaim.

On 1 August 2019, STAR had filed an application pursuant to Order 14A, Order 18 and Order 81 of the Rules of Court 2012 ("ROC") to have their claim decided based on question of law and/or construction of orders and grounds of judgement which they have previously obtained.

On 7 August 2020, the Company announced that the High Court has allowed STAR's application in part and ruled that the Company is to pay damages to STAR, being late payment interest at the rate of 8% per annum on the Balance Purchase Price of RM134,500,000 from 25 October 2015 to 6 July 2020.

The Company was further advised by its solicitors that in delivering the High Court's decision: -

(i) the High Court did not allow STAR's claim for payment of RM134,500,000 being the Balance Purchase Price;
(ii) the High Court was of the view that delivery of the STAR's entitlement as defined in the Sale and Purchase Agreement dated 19 August 2011, had occurred on 6 July 2020;
(iii) the High Court did not allow any late payment interest on the Balance Purchase Price thereafter from 6 July 2020;
(iv) STAR's claim and the Company's counterclaim had been disposed by the High Court.

Accordingly, the Company's counterclaim was struck out.

41. Material Litigation (cont'd)

(a) Star Media Group Berhad ("STAR") Claim (cont'd)

The Company filed for an appeal to the Court of Appeal against the decision of the High Court on 7 August 2020 vide Civil Appeal No.: W-02(IM)(NCVC)-1122-08/2020 ("Appeal 1122").

Similarly, STAR also appealed to the Court of Appeal against part of the decision of the High Court on 7 August 2020 insofar as they relate to questions which was dismissed by the learned Hugh Court Judge vide Civil Appeal No.: W-02(IM)(NCVC)-1188-09/2020 ("Appeal 1188"). Upon counsel's advice, the parties have agreed for both appeals to be heard on 27 July 2021 together with Civil Appeal No.: W-02(IM)(NCVC)-1435-10/2020 ("Appeal 1435").

On 16 April 2021, the Company has filed a Notice of Motion at the Court of Appeal for a Stay of Execution of the Order granted by the High Court on 7 August 2020 following the dismissal of the Company's application for a stay of execution of the similar order at the High Court on 24 March 2021. The Notice of Motion filed at the Court of Appeal for a Stay of Execution of the Order granted by the High Court on 7 August 2020 was at the Case Management on 4 May 2021, fixed for Hearing on 19 July 2021.

During Hearing for the Motion for Stay on 19 July 2021, STAR had undertook not to execute the Order dated 7 August 2021 pending disposal of Appeal 1122, Appeal 1188 and Appeal 1435 on 28 July 2021.

On 28 July 2021, the Company announced that the appeal lodged by the Company at the Court of Appeal vide Appeal 1122 was allowed and the judgment given by the High Court on 7 August 2020 was set aside in the entirety.

This effectively sets aside the judgment by the High Court on 7 August 2020 which ordered for:

(a) the Late Payment Interest of RM50,542,117-82 calculated at 8% per annum from the balance purchase price of RM134,500,000-00 from 25 October 2015 to 6 July 2020;

(b) the Late Payment Interest be calculated at 8% per annum from the Balance Purchase Price of RM134,500,000-00 is to continue from 7 July 2020 to date of completion and delivery of the Vendor's Entitlement in accordance with the terms of the Sale and Purchase Agreement dated 19 August 2011.

Consequently, the Company also succeeded in defending the appeal lodged by STAR vide Appeal 1188. The Court of Appeal directed that Suit No.: WA-22NCVC-258-04/2019 where the Company has counterclaimed for damages arising from loss of profit from corporate exercise, loss of reputation and loss and impact on the status of the Defendant as public listed company and WA-22NCVC-374-05/2019 where the Company has claimed for the sum of RM248,242,987-62 as liquidated ascertained damages, RM297,035,481-00 as loss of proceeds from corporate fundraising exercise and refund of RM50,000,000-00 together with all interests pursuant to the Bank Guarantees be refunded, be reverted back to the High Court for full trial before Justice Nazlan Mohd Ghazali.

On 25 August 2021, STAR had filed a motion for leave to appeal against the decision of the Court of Appeal dated 28 July 2021 in allowing the Company's appeal vide Civil Application No.: 08(i)-332-08/2021(w) and dismissal of STAR's appeal vide Civil Application No.: 08(i)-333-08/2021(w).

On 7 October, the Company announced that the three (3) motions for leave to appeal to the Federal Court filed by STAR is fixed for Hearing on 15 February 2022 has been vacated. The matter is fixed for Case Management on 9 February 2022. On 10 February 2022, the Company announced that the Hearing of the three (3) motions for leave to appeal to the Federal Court filed by STAR is now fixed for Hearing on 17 May 2022.

Notes To The Financial Statements
(cont'd)

41. Material Litigation (cont'd)

(b) Claim against STAR at Kuala Lumpur High Court

On 30 May 2019, the Company and JIC filed a claim against STAR at the Kuala Lumpur High Court for breach of the Sale and Purchase Agreement dated 19 August 2011 on the following reliefs:

- a declaration that the Completion Period for JIC to deliver STAR's entitlement under the SPA is on 20 June 2020;
- a declaration that STAR has breached SPA;
- a declaration that STAR is unjustly enriched;
- the sum of RM248,242,987.62 to be paid to JIC as liquidated ascertained damages;
- the sum of RM297,035,481 to be paid to JRB as loss of proceeds from corporate fund raising exercises;
- the sum of RM50,000,000 together with all interests and all related costs incurred thereto pursuant to the Bank Guarantee that is to be refunded and/or returned to JIC within 7 days from the date of the Court Order, and
- damages.

Similarly, STAR had filed an application pursuant to Order 14A and Order 18 Rule 19 of the ROC to have Company's claim decided based on question of law and/or construction of orders and grounds of judgement which they have previously obtained.

On 28 September 2020, the High Court dismissed the application filed by STAR. STAR had appealed against the decision dated 28 September 2020 vide Appeal 1435.

By consensus of the parties, Appeal 1435 was heard together with Appeal 1122 and Appeal 1188. Appeal 1435 was dismissed.

On 5 August 2021, the Company announced that the matter has been fixed for further Case Management on 9 August 2021 for directions on the matter being heard, together with the Kuala Lumpur High Court Suit No.: WA-22NCVC-258-04/2018 following Order of the Court of Appeal dated 27 July 2021.

On 11 August 2021, the Company announced that at Case Management on 9 August 2021, the Court has confirmed that the matter will be transferred and be heard together with Kuala Lumpur High Court Suit No.: WA-22NCVC-258-04/2019 before NCVC Court 2 following directions from the Court of Appeal. As a result, the trial dates initially fixed on 19 August 2021, 20 August 2021, 26 August 2021 and 27 August 2021 are vacated.

The matters are fixed for Case Management on 6 September 2021 for parties to update the Court as to whether any interlocutory applications will be filed by the parties.

On 25 August 2021, STAR had filed a motion for leave to appeal against the decision of the Court of Appeal dated 28 July 2021 in dismissing Appeal 1435 vide Civil Application No.: 08(i)-334-08/2021(w).

On 7 September 2021, the Company announced that both the Kuala Lumpur High Court Suit No.: WA-22NCVC-258-04/2019 and Kuala Lumpur High Court Suit No.: WA-22NCVC-374-05/2019 are fixed for Case Management on 18 October 2021.

On 18 October 2021, the Company announced that both the Kuala Lumpur High Court Suit No.: WA-22NCVC-258-04/2019 and Kuala Lumpur High Court Suit No.: WA-22NCVC-374-05/2019 are fixed for trial on 17 October 2022, 18 October 2022, and 19 October 2022. The pre-trial Case Management has been fixed on 2 March 2022 and then adjourned to 9 May 2022 for further directions from the Court.

Based on the above and after taking appropriate legal advice, no provision has been made in the financial statements of the Group as at the date of this report since the trials have yet to commence. There is a reasonable prospect for the Company to defend STAR's claim, succeed in its counterclaim against STAR and succeed in its claim against STAR.

Notes To The Financial Statements
(cont'd)

42. Significant Event

Effect of outbreak of coronavirus pandemic

The outbreak of the COVID-19 pandemic has caused travel restrictions and lockdown and prolonged economic downturn nationwide and worldwide since 2020. The Group and the Company are cognizant of the challenges posed by these developing events and is actively monitoring and taking appropriate and timely measures, also works closely with the local authorities to support their efforts in containing the spread of Covid-19 to minimise the impact of Covid-19 on its business operations. The COVID-19 mitigation measures that implemented by the Group and the Company include physical distancing at work, workplace segregation, staggered work hours and lunch breaks, temperature checks and regular workplace sanitization.

At the reporting date, the Group and the Company have performed an assessment of the overall impact of the situation on the Group's and the Company's operations, including the recoverability of the carrying amount of assets and measurements of assets and liabilities.

The Directors and management of the Group and the Company are not aware of any uncertainties arising after the end of the financial year that would have a significant impact on the current financial statements, including the financial continuity and sustainability of the Group and the Company as going concern for the next twelve (12) months.

43. Date of Authorisation for Issue

The financial statements of were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 April 2022.

PROPERTIES OF THE GROUP

As at 31 December 2021

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
PT No. 35295 H.S. (D) 283505 Mukim Damansara, Petaling Selangor	Leasehold Property (Duration - 99 years) (Expiry Date: 4/9/2097)	Land area: 182,952 sq. feet	7 years	Investment Properties with Shopping Mall and Car Parks	292,717	23/8/2013
PN 97384, Lot 141, Seksyen 13, Bandar Petaling Jaya, Daerah Petaling, Selangor	Leasehold Land (Duration -99 years) (Expire Date : 21/5/2112)	Land area: 24,569 sq. metres	3 years	Investment Properties Business Hub	230,000	9/8/2017
B-9-28, Level 9, Tower B, Pacific Towers, Jalan 13/6, Section 13, Petaling Jaya, Selangor Darul Ehsan	Leasehold Land (Duration - 99 years) (Expiry Date: 21/5/2112)	Build-up area Land area: 32,545 sq. feet	3 years	Investment Properties Level 9 Tower B	17,184	18/12/2019
P-B1-3, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land (Duration - 99 years) (Expiry Date: 21/5/2112)	Build-up area 151,141 sq. feet	3 years	Investment Properties Car Park	51,284	14/10/2019
B-16-13A Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	374 sq. feet	3 years	Vacant	278	18/12/2019
B-16-16 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	341 sq. feet	3 years	Vacant	260	18/12/2019
B-12-21 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	521 sq. feet	3 years	Vacant	377	18/12/2019

Properties Of The Group

As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
B-03A-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	3 years	Vacant	430	18/12/2019
B-06-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	3 years	Vacant	430	18/12/2019
B-07-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	3 years	Vacant	430	18/12/2019
B-08-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	3 years	Vacant	430	18/12/2019
B-08-22 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	565 sq. feet	3 years	Vacant	404	18/12/2019
B-10-22 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	3 years	Vacant	430	18/12/2019
B-13A-22 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	3 years	Vacant	430	18/12/2019
B-15-21 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	521 sq. feet	3 years	Vacant	377	18/12/2019
B-16-02 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	521 sq. feet	3 years	Vacant	377	18/12/2019

Properties of The Group

As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
B-16-22 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	3 years	Vacant	430	18/12/2019
L5-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	1,654 sq. feet	3 years	Vacant	976	18/12/2019
L5-02 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	1,959 sq. feet	3 years	Vacant	1,156	18/12/2019
L5-05 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	1,605 sq. feet	3 years	Vacant	950	18/12/2019
L5-03 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	3,140 sq. feet	3 years	Vacant	1,685	18/12/2019
L5-03A Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	1,718 sq. feet	3 years	Vacant	1,017	18/12/2019
C-10-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	1,242 sq. feet	3 years	Vacant	869	18/12/2019
C-16-02 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	3 years	Vacant	690	18/12/2019
C-23-03A Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	3 years	Vacant	690	18/12/2019

Properties of The Group
As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
C-23-06 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	3 years	Vacant	690	18/12/2019
C-28-03A Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	3 years	Vacant	690	18/12/2019
C-32-02 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	3 years	Vacant	690	18/12/2019
D-15-10 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	622 sq. feet	3 years	Vacant	448	18/12/2019
E-17-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	622 sq. feet	3 years	Vacant	448	18/12/2019
E-17-05 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	802 sq. feet	3 years	Vacant	574	18/12/2019
E-17-06 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	723 sq. feet	3 years	Vacant	519	18/12/2019
E-22-03, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	617 sq. feet	1 year	Vacant	499	14/12/2021

Properties of The Group
As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
E-22-03A, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	622 sq. feet	1 year	Vacant	499	14/12/2021
E-22-11, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	802 sq. feet	1 year	Vacant	639	14/12/2021
E-27-01, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	622 sq. feet	1 year	Vacant	499	14/12/2021
E-28-01, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	622 sq. feet	1 year	Vacant	499	14/12/2021
09-02 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Land Signature Suite	1,181 sq. feet	3 years	Vacant	722	31/12/2019
18-06 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Land Signature Suite	1,227 sq. feet	3 years	Vacant	762	31/12/2019
18-25 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Land Signature Suite	1,012 sq. feet	3 years	Vacant	643	31/12/2019
09-01 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Land Signature Suite	1,181 sq. feet	3 years	Vacant	722	31/12/2019

Properties of The Group
As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
PN115285 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Property (Duration - 99 years) (Expiry Date: 15/4/2113)	18,524 sq. feet	3 years	Investment Properties Car Park	13,955	31/12/2019
No. 924/1F, Storey No.1st Floor, Building No. Block: Front Unit Type 3, Taman Desa Cheras, Kuala Lumpur	Freehold Property 1st Floor of 3 Storey Shophouse	Building area : 64.82 sq. metres (697.72 sq. feet)	19 Years	Vacant	42	23/12/2003
PN 30824, Lot. No. 18503, Mukim of Rawang, District of Gombak, State of Selangor	Leasehold Land (Duration - 99 Years) (Expiry date 11/7/2060)	Land area: 1,496 sq. feet Built up area : 1,280 sq. feet	10 years	Vacant	178	27/3/2012
H S (D) 224763, Lot No. PTD 42125, Mukim Senai, Kulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold Single-storey Terrace House	Land area: 133.96 sq. metres (1,442 sq. feet)	19 Years	Vacant	87	5/11/2003
H S (D) 224752, Lot No. PTD 42114, Mukim Senai, Kulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold Single-storey Terrace House	Land area: 133.96 sq. metres (1,442 sq. feet)	19 Years	Vacant	90	5/11/2003
B-17-09 Villa Kejora Type A Rilau Penang	Freehold Apartment	700 sq. feet	23 Years	Apartment for investment	67	12/3/1999
GRN 33069 Lot no. 565, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 58.2029 acres	2 Years	Vacant	5,058	13/8/2019
GM 610 Lot no. 1212, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.5600 acres	2 Years	Vacant	46	13/8/2019

Properties of The Group

As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
GM 302 Lot no. 1213, Sungai Kechil, Nibong Tebal, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.5844 acres	2 Years	Vacant	48	13/8/2019
GM 611 Lot no. 1214, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.9869 acres	2 Years	Vacant	82	13/8/2019
GM 612 Lot no. 1215, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 6.0875 acres	2 Years	Vacant	515	13/8/2019
GM 613 Lot no. 1216, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 2.7125 acres	2 Years	Vacant	226	13/8/2019
GM 614 Lot no. 1217, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 2.1750 acres	2 Years	Vacant	181	13/8/2019
GM 615 Lot no. 1220, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 5.8062 acres	2 Years	Vacant	491	13/8/2019
GM 616 Lot no. 1221, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 1.1781 acres	2 Years	Vacant	98	13/8/2019

Properties of The Group
As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
GRN 32742 Lot no. 1264, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 15.8620 acres	2 Years	Vacant	1,369	13/8/2019
GM 656 Lot no. 1287, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 5.0187 acres	2 Years	Vacant	409	13/8/2019
GM 872 Lot no. 1300, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 3.2810 acres	2 Years	Vacant	274	13/8/2019
GM 662 Lot no. 1301, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 6.4250 acres	2 Years	Vacant	545	13/8/2019
GM 665 Lot no. 1304, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 1.5194 acres	2 Years	Vacant	126	13/8/2019
GRN 51899 Lot no. 1305, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 20.4370 acres	2 Years	Vacant	1,768	13/8/2019
GRN 32749 Lot no. 1306, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 30.9999 acres	2 Years	Vacant	2,690	13/8/2019
GM 1736 Lot no. 6386, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.6415 acres	2 Years	Vacant	53	13/8/2019

Properties of The Group
As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
GM 1737 Lot no. 6387, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.1698 acres	2 Years	Land for investment	14	13/8/2019
GRN 33068 Lot no. 562, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 36.2520 acres	2 Years	Land for investment	3,145	13/8/2019
GRN 51894 Lot no. 735, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 21.5642 acres	2 Years	Land for investment	1,866	13/8/2019
GRN 51895 Lot no. 736, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 6.8469 acres	2 Years	Land for investment	582	13/8/2019
GRN 49254 Lot no. 737, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 42.3869 acres	2 Years	Land for investment	3,684	13/8/2019
GRN 49255 Lot no. 738, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 27.9091 acres	2 Years	Land for investment	2,420	13/8/2019
GRN 49256 Lot no. 739, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 6.9545 acres	2 Years	Land for investment	575	13/8/2019
GRN 49257 Lot no. 740, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 5.0606 acres	2 Years	Land for investment	422	13/8/2019

Properties of The Group
As at 31 December 2021
(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
GRN 51898 Lot no. 1202, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 1.5630 acres	2 Years	Land for investment	130	13/8/2019
GRN 32748 Lot no. 1289, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 18.5440 acres	2 Years	Land for investment	1,595	13/8/2019
GRN 14033 Lot no. 1298, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 15.0750 acres	2 Years	Land for investment	1,300	13/8/2019
GM 1916 Lot no. 6381, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.4895 acres	2 Years	Land for investment	40	13/8/2019
GM 1917 Lot no. 6382, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 2.4127 acres	2 Years	Land for investment	201	13/8/2019

ANALYSIS OF SHAREHOLDINGS
AS AT 8 APRIL 2022

Total number of issued shares
and class of shares : 2,042,317,607 Ordinary Shares
Voting Right : One vote per Ordinary Share held

ANALYSIS OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	(%)	No. of Shares	(%)
1 – 99	1,048	3.69	36,991	0.00
100 – 1,000	6,218	21.87	2,163,834	0.11
1,001 – 10,000	9,439	33.19	56,228,223	2.75
10,001 – 100,000	9,466	33.29	341,037,314	16.70
100,001 – 102,115,879 (*)	2,265	7.96	1,501,890,696	73.54
102,115,880 and above (**)	1	0.00	140,960,549	6.90
	28,437	100.00	2,042,317,607	100.00

NOTES: * Less than 5% of the issued shares
** 5% and above of the issued shares

30 LARGEST SHAREHOLDERS AS AT 8 APRIL 2022

	Names	No. of Shares	(%)
1.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	140,960,549	6.90
2.	Kenanga Capital Sdn Bhd Pledged Securities Account for Ang Lam Poah	62,016,807	3.04
3.	Tee Tiam Lee	30,330,600	1.49
4.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	24,050,000	1.18
5.	Liew Moi Fah	23,000,000	1.13
6.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ooi Chin Hock	20,817,900	1.02
7.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Eng Piow	18,995,000	0.93
8.	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Life Insurance Berhad	17,385,100	0.85
9.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	15,990,000	0.78
10.	Cartaban Nominees (Asing) Sdn Bhd SSBT Fund VVNM for Vaneck Vietnam ETF	15,519,700	0.76
11.	Dennis Koh Seng Huat	13,220,000	0.65

Analysis Of Shareholdings
As At 8 April 2022
(cont'd)

30 LARGEST SHAREHOLDERS AS AT 8 APRIL 2022 (cont'd)

	Names	No. of Shares	(%)
12.	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Life Insurance Berhad (Dana EKT Prima)	13,120,200	0.64
13.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mohamad Zaidee Bin Abang Hipni	13,000,000	0.64
14.	Chor Chee Heung	12,540,000	0.64
15.	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Life Insurance Berhad (Prem Equity)	11,395,000	0.56
16.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	10,920,000	0.53
17.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mat Nasir Bin Mohamed	10,600,000	0.52
18.	Ang Ken Seng	10,551,000	0.52
19.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Swee Sek	10,000,000	0.49
20.	Maybank Investment Bank Berhad IVT	9,136,800	0.45
21.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad for Affin Hwang Multi-Asset Fund 5	9,000,000	0.44
22.	Lembaga Tabung Haji	9,000,000	0.44
23.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Khor Kim Hock	8,280,200	0.41
24.	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Life Insurance Berhad (Balance)	8,272,100	0.41
25.	Tan Eng @ Tan Chin Huat	8,010,000	0.39
26.	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Family Takaful Berhad (Dana Ekuiti)	8,000,100	0.39
27.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teh Poo Seng	8,000,000	0.39
28.	Salcon Berhad	8,000,000	0.39
29.	Tan Ooi Koong	8,000,000	0.39
30.	Teh Poh Guan	8,000,000	0.39

Analysis Of Shareholdings

As At 8 April 2022
(cont'd)

DIRECTORS' SHAREHOLDING AS AT 8 APRIL 2022

	Ordinary Shares			
	Direct Interest		Indirect Interest	
Names of Directors	No. of Shares	(%)	No. of Shares	(%)
Ang Lam Poah	265,065,356	12.98	-	-
Dato' Razali Merican Bin Naina Merican	4,030,000	0.20	-	-
Ang Lam Aik	-	-	-	-
Dato' Azman Bin Mahmood	-	-	-	-
Liew Jee Min @ Chong Jee Min	-	-	-	-
Tan Sri Datuk Hussin Bin Haji Ismail	-	-	-	-
Tan Sri Dato' Haji Abd Karim Bin Shaikh Munisar	-	-	-	-
Khor Hun Nee	-	-	-	-

	Long Term Incentive Plan ("LTIP Option")	
Name of Director	No. of LTIP Option	(%)
Tan Sri Datuk Hussin Bin Haji Ismail	1,000,000	1.14
Ang Lam Poah	15,000,000	17.15
Dato' Razali Merican Bin Naina Merican	10,000,000	11.43
Ang Lam Aik	9,414,587	10.76
Dato' Azman Bin Mahmood	1,000,000	1.14
Liew Jee Min @ Chong Jee Min	1,000,000	1.14

Shares in related corporation

By virtue of Mr Ang Lam Poah and Dato' Razali Merican Bin Naina Merican's interest in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, they are deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in shares of the Company and its related corporations during the financial year.

SUBSTANTIAL SHAREHOLDERS AS AT 8 APRIL 2022

	Direct Interest		Indirect Interest	
Substantial Shareholders	No. of Shares	(%)	No. of Shares	(%)
1. Ang Lam Poah	265,065,356	12.98	-	-

ANALYSIS OF WARRANT B HOLDINGS
AS AT 8 APRIL 2022

Total number of issued securities	:	171,488,238 Warrants B
Voting Right	:	No voting rights
Exercise Price	:	RM0.34
Maturity Date	:	13 December 2023

Analysis of Warrant B Holdings

Size of Holdings	No. of Warrant B Holders	(%)	No. of Warrant B	(%)
1 – 99	167	13.29	9,674	0.01
100 – 1,000	79	6.28	41,087	0.02
1,001 – 10,000	361	28.72	2,127,806	1.24
10,001 – 100,000	492	39.14	19,455,275	11.34
100,001 – 8,574,410 (*)	154	12.25	88,216,522	51.44
8,574,411 and above (**)	4	0.32	61,637,874	35.95
	1,257	100.00	171,488,238	100.00

NOTES: * Less than 5% of the issued warrants
** 5% and above of the issued warrants

30 LARGEST WARRANT B HOLDERS AS AT 8 APRIL 2022

	Names	No. of Warrant B	(%)
1.	Chong Kok Foo	21,865,433	12.75
2.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	20,835,842	12.15
3.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loo Kee Seng	10,165,749	5.93
4.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	8,770,850	5.11
5.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	7,775,240	4.53
6.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	5,641,790	3.29
7.	Original Invention Sdn Bhd	5,215,100	3.04
8.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Piang Kok	4,097,800	2.39
9.	Koh Seng Poh	3,454,011	2.01
10.	Wilfred Koh Seng Han	2,395,522	1.40
11.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	2,351,536	1.37
12.	Ch’ng Kim Soon	2,080,400	1.21

Analysis Of Warrant B Holdings

As at 8 April 2022
(cont'd)

30 LARGEST WARRANT B HOLDERS AS AT 8 APRIL 2022 (cont'd)

	Names	No. of Warrant B	(%)
13.	Er Soon Puay	1,993,800	1.16
14.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mohammed Amin Bin Mahmud	1,879,500	1.10
15.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad for Ang Lam Poah	1,706,760	1.00
16.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Ambank (M) Berhad for Razali Merican Bin Naina Merican	1,469,710	0.86
17.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Chong Yeow	1,400,000	0.82
18.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Sia Ngo Hin	1,356,305	0.79
19.	Tan Kah Sian	1,195,000	0.70
20.	Quah Siew Lan	1,170,458	0.68
21.	Ang Hui Chan	1,100,000	0.64
22.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ooi Chin Hock	1,075,680	0.63
23.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Ah Lang @ Lee Lit Ming	961,547	0.56
24.	Ooi Chin Hock	959,516	0.56
25.	Choong Yoke Lee	925,000	0.54
26.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Tze Peng	900,000	0.52
27.	Yap Pow On	892,394	0.52
28.	Tan Yann-Yun	879,929	0.51
29.	Tai Boon Chun	870,000	0.51
30.	Juliana Koh Suat Lay	868,551	0.51

Analysis Of Warrant B Holdings
As at 8 April 2022
(cont'd)

DIRECTORS' WARRANT B HOLDING AS AT 8 APRIL 2022

	Warrant B			
	Direct Interest		Indirect Interest	
Names of Directors	**No. of Warrant B**	**(%)**	**No. of Warrant B**	**(%)**
Ang Lam Poah	47,082,018	27.45	-	-
Dato' Razali Merican Bin Naina Merican	1,469,710	0.86	*5,215,100	3.04
Ang Lam Aik	-	-	-	-
Dato' Azman Bin Mahmood	-	-	-	-
Liew Jee Min @ Chong Jee Min	-	-	-	-
Tan Sri Datuk Hussin Bin Haji Ismail	-	-	-	-
Tan Sri Dato' Haji Abd Karim Bin Shaikh Munisar	-	-	-	-
Khor Hun Nee	-	-	-	-

NOTES:

* Deemed interest by virtue of his interest in Original Invention Sdn Bhd

SUBSTANTIAL WARRANT B HOLDERS AS AT 8 APRIL 2022

		Direct Interest		Indirect Interest	
	Substantial Warrant Holders	**No. of Warrant B**	**(%)**	**No. of Warrant B**	**(%)**
1.	Ang Lam Poah	47,082,018	27.45	-	-
2.	Chong Kok Foo	21,865,433	12.75	-	-
3.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loo Kee Seng	10,165,749	5.93	-	-

ANALYSIS OF WARRANT C HOLDINGS
AS AT 8 APRIL 2022

Total number of issued securities	:	525,564,900 Warrants C
Voting Right	:	No voting rights
Exercise Price	:	RM0.49
Maturity Date	:	18 November 2025

Analysis of Warrant C Holdings

Size of Holdings	No. of Warrant C Holders	(%)	No. of Warrant C	(%)
1 – 99	250	5.61	12,669	0.00
100 – 1,000	400	8.98	180,147	0.03
1,001 – 10,000	1,432	32.14	7,947,627	1.51
10,001 – 100,000	1,744	39.15	68,468,140	13.03
100,001 – 26,278,244 (*)	628	14.10	386,322,670	73.51
26,278,245 and above (**)	1	0.02	62,633,647	11.92
	4,455	100.00	525,564,900	100.00

NOTES: * Less than 5% of the issued warrants
** 5% and above of the issued warrants

30 LARGEST WARRANT C HOLDERS AS AT 8 APRIL 2022

	Names	No. of Warrant C	(%)
1.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	62,633,647	11.92
2.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Eng Piow	14,460,850	2.75
3.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Saw Chai Soon	9,755,400	1.86
4.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ooi Chin Hock	9,334,100	1.78
5.	Liew Moi Fah	8,400,050	1.60
6.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	7,400,000	1.41
7.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Seow Liew Wee	6,120,000	1.16
8.	Ang Ken Seng	5,408,000	1.03
9.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	4,920,000	0.94
10.	Er Soon Puay	4,822,100	0.92
11.	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Life Insurance Berhad (Growth)	4,588,250	0.87

Analysis Of Warrant C Holdings
As at 8 April 2022
(cont'd)

30 LARGEST WARRANT C HOLDERS AS AT 8 APRIL 2022 (cont'd)

	Names	No. of Warrant C	(%)
12.	Leng Thean Paul	4,500,700	0.86
13.	Chor Chee Heung	4,320,000	0.82
14.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Hon Chee Kwan	4,300,000	0.82
15.	Choong Kean Leang	4,122,150	0.78
16.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Hon Chee Hooi	4,103,100	0.78
17.	Teh Poo Seng	3,887,700	0.74
18.	Dennis Koh Seng Huat	3,860,000	0.73
19.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teh Poo Seng	3,630,000	0.69
20.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Beh Yong Hock	3,464,000	0.66
21.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ang Lam Poah	3,360,000	0.64
22.	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Life Insurance Berhad (Dana EKT PRIMA)	3,104,350	0.59
23.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Swee Sek	3,000,000	0.57
24.	Chong Kok Foo	2,933,100	0.56
25.	Lim Chin Huat	2,900,000	0.55
26.	Wong Guang Seng	2,656,000	0.51
27.	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Life Insurance Berhad (Balance)	2,621,200	0.50
28.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Kae Shyong	2,621,000	0.50
29.	Cartaban Nominees (Tempatan) Sdn Bhd PAMB for Prulink Equtiy Fund	2,605,520	0.50
30.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Bernard Tan Ghim Huat	2,500,050	0.48

Analysis Of Warrant C Holdings

As at 8 April 2022
(cont'd)

DIRECTORS' WARRANT C HOLDING AS AT 8 APRIL 2022

	Warrant C			
	Direct Interest		Indirect Interest	
Names of Directors	**No. of Warrant C**	**(%)**	**No. of Warrant C**	**(%)**
Ang Lam Poah	81,737,647	15.55	-	-
Dato' Razali Merican Bin Naina Merican	1,240,000	0.24	-	-
Ang Lam Aik	-	-	-	-
Dato' Azman Bin Mahmood	-	-	-	-
Liew Jee Min @ Chong Jee Min	-	-	-	-
Tan Sri Datuk Hussin Bin Haji Ismail	-	-	-	-
Tan Sri Dato' Haji Abd Karim Bin Shaikh Munisar	-	-	-	-
Khor Hun Nee	-	-	-	-

SUBSTANTIAL WARRANT C HOLDERS AS AT 8 APRIL 2022

		Direct Interest		Indirect Interest	
	Substantial Warrants Holder	**No. of Warrant C**	**(%)**	**No. of Warrant C**	**(%)**
1.	Ang Lam Poah	81,737,647	15.55	-	-

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twentieth Annual General Meeting ("20th AGM") of the Company will be held on a fully virtual basis at the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 29 June 2022 at 10.30 a.m. for the purpose of considering the following businesses:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors thereon.

2. To re-elect the following directors, who are retiring pursuant to Article 100(3) of the Company's Constitution and who being eligible offer themselves for re-election:

   (i) Dato' Razali Merican Bin Naina Merican — **Resolution 1**
   (ii) Mr Liew Jee Min @ Chong Jee Min — **Resolution 2**
   (iii) Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar — **Resolution 3**

3. To approve the payment of Directors' Fees of RM8,000 per month for each of the Non-Executive Directors with effect from July 2022 until June 2023. — **Resolution 4**

4. To approve the payment of Meeting Attendance Allowances of RM2,000 per meeting for each Director and an additional RM500 per meeting for the Chairman of the meeting with effect from July 2022 until June 2023. — **Resolution 5**

5. To re-appoint Messrs. UHY as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. — **Resolution 6**

SPECIAL BUSINESS

6. To consider and if thought fit, pass the following resolutions:

ORDINARY RESOLUTION: — **Resolution 7**
Authority to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

ORDINARY RESOLUTION: — **Resolution 8**
Continuation in office as Independent Non-Executive Director

"THAT approval be and is hereby given to Tan Sri Datuk Hussin Bin Haji Ismail who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

ORDINARY RESOLUTION: — **Resolution 9**
Continuation in office as Independent Non-Executive Director

"THAT subject to the passing of Resolution 2, approval be and is hereby given to Mr Liew Jee Min @ Chong Jee Min who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

Notice Of Twentieth Annual General Meeting
(cont'd)

ORDINARY RESOLUTION: **Resolution 10**
Continuation in office as Independent Non-Executive Director

"THAT approval be and is hereby given to Dato' Azman Bin Mahmood who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

By Order of the Board,

LEONG OI WAH (MAICSA 7023802)
SSM PRACTICING CERTIFICATE NO. 201908000717
Company Secretary

Petaling Jaya
29 April 2022

IMPORTANT NOTICE ON REMOTE PARTICIPATION AND VOTING:

1. In view of the social distancing requirements under the Movement Control Order ("MCO") that was issued following the COVID-19 outbreak, the 20th AGM will be conducted through live streaming and online voting using Remote Participation and Voting ("RPV") facilities which are available on Tricor's TIIH Online website at https://tiih.online. Please refer to Administrative Details for the 20th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The venue of the 20th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No Members/Proxy(ies) will be allowed to be physically present at the Broadcast Venue as the Company has to comply with the MCO social distancing requirements.
3. Shareholders/Proxy(ies) who wish to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") may do so remotely via the RPV facilities. Please follow the procedures provided in the Administrative Details for the 20th AGM in order to register, participate and vote remotely.

PROXY NOTES

1. A Member of the Company who is entitled to participate at this meeting via RPV is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to participate and to vote in his stead.

2. When a Member appoints two or more proxies, the proxies shall not be valid unless the Member specifies the proportion of his shareholdings to be represented by each proxy.

3. The instrument appointing proxy shall be in writing under the hands of the appointed or of his attorney duly authorised in writing or, if such be executed appointed is a corporation under its common seal, or the hand of its attorney.

4. A Member who has appointed a proxy or attorney or authorized representative to attend, participate, speak and vote at this 20th AGM via RPV facilities must request his/her proxy to register himself/herself at TIIH Online website at https://tiih.online. Please follow the procedures for RPV in the Administrative Details for Shareholders on 20th AGM.

   The instrument appointing a proxy together with the power of attorney (as the case may be) must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur at least 48 hours before the time appointed for holding the meeting or adjourned meeting.

5. Depositors who appear in the Record of Depositors as at 22 June 2022 shall be regarded as Member of the Company entitled to attend the 20th AGM or appoint a proxy to attend and vote on his behalf.

NOTES ON SPECIAL BUSINESS:

Resolutions 1, 2 & 3:

For the purpose of determining the eligibility of the Directors to stand for re-election at the 20th AGM, the Board through its Nomination Committee had assessed Dato' Razali Merican Bin Naina Merican, Mr Liew Jee Min @ Chong Jee Min and Tan Sri' Dato' Hj. Abd. Karim B. Shaikh Munisar (collectively "the Retiring Directors"). The Retiring Directors were assessed on their performance and understanding of the Group's business. Their active participation at the Board meetings showed that there were prepared and were effective in the discharge of his responsibilities. No circumstances have arisen in the past year to impair the independent judgements of Mr Liew Jee Min @ Chong Jee Min and Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar on matters brought for Board discussion and they have always acted in the best interest of the Company as a whole.

Based on the wealth of experience of the Retiring Directors and the skills that they can bring to the Company, the Board views that their re-election would bring benefits to the Company.

Based on the above, the Board supports the re-election of the Retiring Directors.

Resolution 7:

The proposed Ordinary Resolution will give powers to the Directors to issue up to a maximum ten per centum (10%) of the total number of issued shares of the Company for the time being for such purposes as the Directors would consider in the best interest of the Company ("General Mandate"). This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

The General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions or the issuance of shares as consideration for the acquisition of assets.

The mandate obtained at the 19th AGM in 2021 for authority to allot shares of the Company up to 20% of the total number of issued shares of the Company was utilised and the Company implemented the Private Placement exercise where 272,667,000 new ordinary shares ("Placement Share") of the Company were issued at an issue price of RM0.475 per Placement Share.

Resolutions 8, 9 & 10:

Tan Sri Datuk Hussin Bin Haji Ismail, Mr Liew Jee Min @ Chong Jee Min and Dato' Azman Bin Mahmood have served as Independent Non-Executive Directors for more than 9 years.

The Nomination Committee and the Board have assessed the independence of Tan Sri Datuk Hussin Bin Haji Ismail, Mr Liew Jee Min @ Chong Jee Min and Dato' Azman Bin Mahmood at its meetings held on 24 February 2022 and have recommended that they continue to act as Independent Non-Executive Directors of the Company based on the following justifications:

a) They have declared and affirmed their independence as per the definition of the Listing Requirements
b) They have actively participated in board discussion and provided an independent voice on the Board.
c) They provide a check and balance and bring an element of objectively to the Board of Directors.
d) They continue to be scrupulously independent in their thinking and in their effectiveness as constructive challengers of the Chief Executive Officer and Executive Directors.

This page is intentionally left blank

JAKS RESOURCES BERHAD
Registration No. 200201017985 (585648-T)

PROXY FORM

CDS Account No.:	
Number of Shares Held:	

*I/We ______________________ (Full Name in Block Letters) ______________________

(NRIC (New)/Registration No.:) of ______________________

______________________ (Address) being *a member / members of JAKS Resources Berhad, hereby appoint

Full Name and Address (in Block Letters)	NRIC/Passport No.	Contact No.	No. of share and % of shareholding
*and			
Full Name and Address (in Block Letters)	NRIC/Passport No.	Contact No.	No. of share and % of shareholding

or failing *him/*her/*them, the Chairman of the Meeting as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf, and if necessary, to demand a poll, at the Twentieth Annual General Meeting of the Company to be held on a fully virtual basis at the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 29 June 2022 at 10.30 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Resolutions to be proposed at the meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any item arising not summarised below, *my/our *proxy/proxies may vote or abstain from voting at his/her discretion.

No.	Resolutions	For#	Against#
1.	Re-election of Dato' Razali Merican Bin Naina Merican as Director		
2.	Re-election of Mr Liew Jee Min @ Chong Jee Min as Director		
3.	Re-election of Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar as Director		
4.	Payment of Directors' Fees		
5.	Payment of Meeting Allowance		
6.	Re-appointment of Messrs UHY as Auditors		
7.	Approval to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
8.	Approval for the continuation in office of Tan Sri Datuk Hussin Bin Haji Ismail as Independent Non-Executive Director		
9.	Approval for the continuation in office of Mr Liew Jee Min @ Chong Jee Min as Independent Non-Executive Director		
10.	Approval for the continuation in office of Dato' Azman Bin Mahmood as Independent Non-Executive Director		

 # Please indicate your vote "For" or "Against" with an "X" within the box provided.
** Delete if not applicable*

Signed this _______ day of ____________ 2022

____
Signature/Common Seal of Shareholder(s)

NOTES:

1. A Member of the Company who is entitled to participate at this meeting via RPV is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to participate and to vote in his stead.
2. When a Member appoints two or more proxies, the proxies shall not be valid unless the Member specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing proxy shall be in writing under the hands of the appointed or of his attorney duly authorised in writing or, if such be executed appointed is a corporation under its common seal, or the hand of its attorney.
4. A Member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this 20th AGM via RPV facilities must request his/her proxy to register himself/herself at TIIH Online website at https://tiih.online. Please follow the Procedures for RPV in the Administrative Details for Shareholders on 20th AGM.
The instrument appointing a proxy together with the power of attorney (as the case may be) must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur at least 48 hours before the time appointed for holding the meeting or adjourned meeting.
5. Depositors who appear in the Record of Depositors as at 22 June 2022 shall be regarded as Member of the Company entitled to attend the Twentieth Annual General Meeting or appoint a proxy to attend and vote on his behalf.

Fold here

affix
postage
here

JAKS RESOURCES BERHAD
Registration No. 200201017985 (585648-T)
c/o TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur

Fold here

JAKS RESOURCES BERHAD

(200201017985 [585648-T])

Unit B-09-28, Tower B,
Pacific Towers, Jalan 13/6
Section 13, 46200 Petaling Jaya,
Selangor Darul Ehsan.
Tel : 603-76603333 | Fax : 603-76608993

www.jaks.com.my