All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your JRB Shares, you should at once hand this Abridged Prospectus, together with the NPA and the RSF (collectively, the "**Documents**") to the agent or broker through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. All enquiries concerning the Rights Issue with Warrants should be addressed to our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of the Rights Issue with Warrants. A copy of the Documents has also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

The approval from our shareholders for the Rights Issue with Warrants was obtained at our EGM held on 24 September 2020. The approval from Bursa Securities has also been obtained vide its letter dated 27 August 2020 for the admission of the Warrants to the Official List of Bursa Securities and the listing and quotation of the Rights Shares, Additional Warrants B and new JRB Shares to be issued arising from the exercise of the Warrants and Additional Warrants B on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue with Warrants, and shall not be taken as an indication of the merits of the Rights Issue with Warrants. Bursa Securities does not take any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus. The admission of the Warrants to the Official List of Bursa Securities and the listing and quotation of the Rights Shares, Warrants, Additional Warrants B and new JRB Shares to be issued arising from the exercise of the Warrants and Additional Warrants B on the Main Market of Bursa Securities will commence after, amongst others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of our successful Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) have been duly credited and notices of allotment have been despatched to them.

The Documents are only despatched to our Entitled Shareholders whose names appear in our Record of Depositors and who have provided our Share Registrar with a registered address in Malaysia not later than 5.00 p.m. on Tuesday, 27 October 2020. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/ or other professional advisers as to whether the acceptance and/ or renunciation (as the case may be) of all or any part of their entitlements to the Rights Shares and the Warrants would result in a contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) should note the additional terms and restrictions as set out in Section 10.12 of this Abridged Prospectus. Neither we, Kenanga IB nor any other professional advisers shall accept any responsibility or liability in the event that any acceptance and/ or renunciation (as the case may be) of the entitlements to the Rights Shares with Warrants made by the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions.

The SC is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

FOR INFORMATION CONCERNING RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 6 OF THIS ABRIDGED PROSPECTUS.

JAKS RESOURCES BERHAD

Registration No. 200201017985 (585648-T)
(Incorporated in Malaysia)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 1,292,073,304 NEW ORDINARY SHARES IN JAKS RESOURCES BERHAD ("JRB") ("RIGHTS SHARES") AT AN ISSUE PRICE OF RM0.22 PER RIGHTS SHARE TOGETHER WITH UP TO 646,036,652 FREE DETACHABLE WARRANTS IN JRB ("WARRANTS") ON THE BASIS OF 8 RIGHTS SHARES TOGETHER WITH 4 WARRANTS FOR EVERY 5 EXISTING ORDINARY SHARES IN JRB HELD AS AT 5.00 P.M. ON TUESDAY, 27 OCTOBER 2020

Principal Adviser, Managing Underwriter and Joint Underwriter

kenanga

Kenanga Investment Bank Berhad
Registration No.: 197301002193 (15678-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Joint Underwriter

MALACCA SECURITIES SDN BHD
Registration No: 197301002760 (16121-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DAYS, DATES AND TIMES:-		
Entitlement Date	:	Tuesday, 27 October 2020 at 5.00 p.m.
Last day, date and time for:-		
Sale of Provisional Allotments	:	Wednesday, 4 November 2020 at 5.00 p.m.
Transfer of Provisional Allotments	:	Friday, 6 November 2020 at 4.30 p.m.
Acceptance and payment	:	Thursday, 12 November 2020 at 5.00 p.m.
Excess application and payment	:	Thursday, 12 November 2020 at 5.00 p.m.

This Abridged Prospectus is dated 27 October 2020

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

OUR DIRECTORS HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE WITH WARRANTS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, OUR DIRECTORS CONFIRM THAT THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENTS IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

KENANGA IB, BEING THE PRINCIPAL ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE WITH WARRANTS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENTS IN THE RIGHTS ISSUE WITH WARRANTS AND ANY INVESTMENT IN OUR COMPANY. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THIS ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA IS RESPONSIBLE.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.

DEFINITIONS

Except where the context otherwise requires, the following definitions and abbreviations apply throughout this Abridged Prospectus:-

"Abridged Prospectus"	:	This Abridged Prospectus dated 27 October 2020 issued by our Company in relation to the Rights Issue with Warrants
"Act"	:	Companies Act, 2016
"Additional Warrants B"	:	Additional Warrants B to be issued pursuant to the adjustment as may be made to the number of outstanding Warrants B pursuant to the Rights Issue with Warrants
"Board"	:	Board of Directors of our Company
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"CDS"	:	Central Depository System
"CDS Account"	:	A securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits and for dealings in such securities by the depositor
"Closing Date"	:	Thursday, 12 November 2020 at 5.00 p.m., being the last day, date and time for the acceptance of and payment for the Rights Shares with Warrants
"CMSA"	:	Capital Markets and Services Act, 2007
"CMCO"	:	Conditional MCO
"COVID-19"	:	Coronavirus disease
"CPECC"	:	China Power Engineering Consulting Group Co. Ltd., a company registered under the laws of People's Republic of China
"Deed Poll"	:	The deed poll dated 13 October 2020 executed by our Company constituting the Warrants
"Director"	:	A natural person who holds directorship in our Company and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
"Documents"	:	This Abridged Prospectus, together with the NPA and RSF, collectively
"e-NPA"	:	Electronic NPA
"e-RSF"	:	Electronic RSF
"e-Subscription"	:	Electronic Subscription
"Electronic Subscription"	:	Subscribe for Provisional Allotments and/ or Excess Rights Shares with Warrants through TIIH Online

DEFINITIONS (CONT'D)

"EGM"	:	Extraordinary General Meeting
"Entitled Shareholders"	:	Our shareholders who are registered as members and whose names appear in the Record of Depositors of our Company on the Entitlement Date
"Entitlement Date"	:	Tuesday, 27 October 2020 at 5.00 p.m. being the day, date and time on which the names of our Entitled Shareholders appear in our Record of Depositors in order to participate in the Rights Issue with Warrants
"EPC Contract"	:	An engineering, procurement and construction contract entered into between JHDP (a wholly-owned subsidiary of JPP) and Golden Keen dated 3 August 2015 setting out the terms and conditions in respect of the services and work to be provided by Golden Keen to JHDP in relation to the Project (Package 2)
"EPS"	:	Earnings per JRB Share
"Excess Application"	:	Application for Excess Rights Shares with Warrants as set out in Section 10.9 of this Abridged Prospectus
"Excess Rights Shares with Warrants"	:	Provisional Allotments which are not taken up or not validly taken up by our Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) by the Closing Date, prior to the Excess Application
"Foreign Entitled Shareholders"	:	Entitled Shareholders who have not provided us with registered addresses in Malaysia
"FPE"	:	Financial period ended
"FYE"	:	Financial year ended or ending, as the case may be
"Golden Keen"	:	Golden Keen Holdings Limited, a company incorporated in British Virgin Islands pursuant to the BVI Business Companies Act, 2004, a wholly-owned subsidiary of our Company
"Government"	:	Government of Malaysia
"JHDP"	:	JAKS Hai Duong Power Company Limited, a special purpose company established under the laws of the Socialist Republic of Vietnam, a wholly-owned subsidiary of JPP
"JIC"	:	JAKS Island Circle Sdn Bhd, a then 51%-owned indirect subsidiary of our Company
"Joint Underwriters"	:	Collectively, Kenanga IB and Malacca Securities
"Joint Venture"	:	The joint venture between JPH and CPECC to invest in the Power Plant
"JPH"	:	JAKS Power Holding Limited, a company incorporated in British Virgin Islands pursuant to the BVI Business Companies Act, 2004, a wholly-owned subsidiary of JRB
"JPP"	:	JAKS Pacific Power Limited, a company incorporated under the laws of Hong Kong

DEFINITIONS (CONT'D)

"JPP USD Shares"	:	Ordinary shares of USD1.00 each in JPP
"JRB" or the "Company"	:	JAKS Resources Berhad
"JRB Group" or the "Group"	:	JRB and its subsidiary companies, collectively
"JRB Share" or "Share"	:	Ordinary share in JRB
"Kenanga IB" or "Principal Adviser" or "Managing Underwriter"	:	Kenanga Investment Bank Berhad, being the Principal Adviser, Managing Underwriter and one of the Joint Underwriters
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"Loan Facility"	:	A Commodity Murabahah revolving credit-*i* facility of up to RM30.00 million extended to our Company by Kenanga IB, vide its letter of offer dated 14 August 2020, as advances to JPH for the subscription of up to 7.50 million JPP USD Shares
"LPD"	:	8 October 2020, being the latest practicable date prior to the registration of this Abridged Prospectus by the SC
"LTIP"	:	Our Company's existing long-term incentive plan of up to 15.00% of the total number of issued shares of our Company (excluding treasury shares) for the Directors and employees of JRB Group, who meet the criteria and eligibility for participation
"LTIP Options"	:	Options granted and/ or to be granted under our Company's LTIP. As at the LPD, there are 8,310,000 outstanding LTIP Options which are exercisable into 8,310,000 new JRB Shares at an exercise price of RM1.40 each while up to 33,743,940 additional LTIP Options may be granted under our Company's LTIP
"Malacca Securities"	:	Malacca Securities Sdn Bhd, being one of the Joint Underwriters
"Market Day"	:	Any day from Monday to Friday (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for trading of securities
"Maximum Scenario"	:	Assuming all of the 90,428,430 outstanding Warrants B and 8,310,000 outstanding LTIP Options as at the LPD are exercised and 33,743,940 LTIP Options are granted and/ or exercised into a total of 132,482,370 new JRB Shares prior to the Entitlement Date and all the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable), fully subscribe for their respective entitlements under the Rights Issue with Warrants
"MCO"	:	The 2020 Movement Control Order, commonly referred to as the MCO, which was implemented by the Government in response to the COVID-19 pandemic in Malaysia on 18 March 2020, and includes all its subsequent phases, being the CMCO which began on 4 May 2020 and the recovery MCO which began on 10 June 2020
"Minimum Scenario"	:	Assuming none of the outstanding Warrants B and outstanding LTIP Options are exercised into new JRB Shares prior to the Entitlement Date and the Rights Issue with Warrants is undertaken based on the Minimum Subscription Level

DEFINITIONS (CONT'D)

"Minimum Subscription Level"	:	A minimum gross proceeds of RM200.00 million to be raised from the Rights Issue with Warrants vide the Undertaking and Underwriting
"NA"	:	Net assets
"NPA"	:	Notice of provisional allotment of Rights Shares with Warrants pursuant to the Rights Issue with Warrants
"Official List"	:	A list specifying all securities which have been admitted for listing on Bursa Securities
"Original Proposed Rights Issue with Warrants"	:	Proposed renounceable rights issue of new JRB Shares together with the Warrants to raise proceeds of up to RM160.92 million
"Power Plant"	:	2 x 600 megawatt coal-fired thermal Power Plant located in Phuc Thanh Commune, Kinh Mon District in Hai Duong Province, Vietnam
"Project"	:	The design, engineering, procurement, construction, financing and operation of the Power Plant on a build-operate-transfer basis
"Provisional Allotments"	:	Rights Shares with Warrants provisionally allotted to the Entitled Shareholders pursuant to the Rights Issue with Warrants
"Record of Depositors"	:	A record of depositors established by Bursa Depository under the Rules of Bursa Depository
"Registered Entitled Shareholders"	:	Entitled Shareholders who are the registered user of TIIH Online
"Rights Issue with Warrants"	:	Renounceable rights issue of up to 1,292,073,304 Rights Shares at an issue price of RM0.22 per Rights Share together with up to 646,036,652 Warrants on the basis of 8 Rights Shares together with 4 Warrants for every 5 existing JRB Shares held on the Entitlement Date
"Rights Shares"	:	Up to 1,292,073,304 new JRB Shares to be issued pursuant to the Rights Issue with Warrants
"RSF"	:	Rights Subscription Form in relation to the Rights Issue with Warrants
"Rules of Bursa Depository"	:	The rules of Bursa Depository as issued pursuant to the SICDA
"SC"	:	Securities Commission Malaysia
"SICDA"	:	Securities Industry (Central Depositories) Act, 1991
"Smith Zander"	:	Smith Zander International Sdn Bhd
"TERP"	:	Theoretical ex-rights price
"TIIH Online"	:	Tricor's proprietary owned application to facilitate Entitled Shareholders to subscribe for the Rights Shares with Warrants provisionally allotted and to apply for Excess Rights Shares with Warrants electronically
"Tricor" or "Share Registrar"	:	Tricor Investor & Issuing House Services Sdn Bhd

DEFINITIONS (CONT'D)

"Undertaking"	:	An irrevocable and unconditional written undertaking letter dated 13 July 2020 provided by the Undertaking Shareholder that he will apply and subscribe in full for his Rights Shares entitlement and additional Rights Shares not taken up by other Entitled Shareholders by way of excess application up to an aggregate amount of RM50.00 million. The Undertaking Shareholder had also irrevocably and unconditionally warranted that he shall not sell or in any other way dispose of or transfer his existing interest in our Company or any part thereof during the period commencing from the Undertaking up to the Entitlement Date pursuant to the Rights Issue with Warrants
"Undertaking Shareholder"	:	Our Company's major shareholder, namely Ang Lam Poah who has provided the Undertaking pursuant to the Rights Issue with Warrants
"Underwriting"	:	Underwriting arrangement for the remaining portion of RM150.00 million to achieve the Minimum Subscription Level
"Underwriting Agreement"	:	Underwriting agreement dated 13 October 2020 entered into between our Company, the Managing Underwriter and the Joint Underwriters pursuant to the Underwriting
"VWAMP"	:	Volume weighted average market price
"Warrants"	:	Up to 646,036,652 free detachable warrants in JRB to be issued pursuant to the Rights Issue with Warrants
"Warrants B"	:	90,428,430 outstanding warrants 2018/2023 in our Company as at the LPD which are exercisable into 90,428,430 new JRB Shares at an exercise price of RM0.64 each and will expire on 13 December 2023

CURRENCIES

"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"USD"	:	United States Dollar
"VND"	:	Vietnamese Dong

All references to "our Company" or "JRB" in this Abridged Prospectus are to JAKS Resources Berhad, and references to "our Group" or "JRB Group" are to our Company and our subsidiary companies. All references to "we", "us", "our" and "ourselves" are to our Company, or where the context otherwise requires, our Group or any of our subsidiary companies.

All references to "you" and "your" in this Abridged Prospectus are to the Entitled Shareholders and/ or, where the context otherwise requires, their renouncees and/ or transferees (if applicable).

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any references to persons shall include corporations, unless otherwise specified.

Unless stated otherwise, the exchange rate of USD1.00:RM4.15, being the average middle rate as at 5.00 p.m. for the past 1 month up to and including the LPD as quoted by Bank Negara Malaysia, is used throughout this Abridged Prospectus.

Any reference in this Abridged Prospectus to any legislation, statute, guidelines, rules or regulations is a reference to that legislation, statute, guidelines, rules or regulations as for the time being amended or re-enacted. Any reference to time of day or date in this Abridged Prospectus shall be a reference to Malaysian time of day and date respectively, unless otherwise specified.

Any discrepancies in the tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding.

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TABLE OF CONTENTS

TABLE OF CONTENTS (CONT'D)

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ADVISERS' DIRECTORY

COMPANY SECRETARY	:	Leong Oi Wah (MAICSA 7023802) SSM Practising Certificate No. 201908000717 802, 8th Floor Block C, Kelana Square 17, Jalan SS7/26 47301 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-7803 1126 Fax. No.: 03-7806 1387
PRINCIPAL ADVISER, MANAGING UNDERWRITER AND JOINT UNDERWRITER	:	Kenanga Investment Bank Berhad Level 17, Kenanga Tower 237, Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: 03-2172 2888 Fax. No.: 03-2172 2999
JOINT UNDERWRITER	:	Malacca Securities Sdn Bhd No. 1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim, (Business Park) Balai Panjang 75250 Melaka Tel. No.: 06-337 1533 Fax. No.: 06-337 1577
SOLICITORS	:	Chooi & Company + Cheang & Ariff 39 Court @ Loke Mansion 273A, Jalan Medan Tunku 50300 Kuala Lumpur Tel. No.: 03-2691 0803 Fax. No.: 03-2692 8533
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 Tel. No.: 03-2783 9299 Fax. No.: 03-2783 9222

ADVISERS' DIRECTORY (CONT'D)

INDEPENDENT MARKET RESEARCHER	:	Smith Zander International Sdn Bhd 15-01, Level 15, Menara MBMR 1, Jalan Syed Putra 58000 Kuala Lumpur Tel. No.: 03-2732 7537 Managing Partner: Dennis Tan Tze Wen (Bachelor of Science from Memorial University of Newfoundland, Canada)
STOCK EXCHANGE LISTING	:	Main Market of Bursa Securities

SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS

THIS SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS ABRIDGED PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE ABRIDGED PROSPECTUS.

i. Number of Rights Shares with Warrants to be issued and basis of allotment

The Rights Issue with Warrants entails the issuance of up to 1,292,073,304 Rights Shares together with up to 646,036,652 Warrants on a renounceable basis of 8 Rights Shares together with 4 Warrants for every 5 existing JRB Shares held by the Entitled Shareholders on the Entitlement Date.

Any unsubscribed Rights Shares with Warrants will be made available for subscription by other Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) via the Excess Application. It is our Board's intention to allot the Excess Rights Shares with Warrants, if any, in a fair and equitable manner.

Please refer to Sections 2.1 of the Abridged Prospectus for further information.

ii. Issue price of the Rights Shares and exercise price of the Warrants

Our Board has fixed the following pursuant to the Rights Issue with Warrants:-

a) the issue price of the Rights Shares at RM0.22 per Rights Share; and

b) the exercise price for the Warrants at RM0.49 per Share;

Please refer to Section 2.2 and Appendix I of this Abridged Prospectus for further information.

iii. Major shareholder's undertaking and underwriting arrangement

Our Board has determined to undertake the Rights Issue with Warrants on the Minimum Subscription Level basis. As such, our Company has procured the Undertaking from the Undertaking Shareholder and has entered into the Underwriting Agreement with the Joint Underwriters to meet the Minimum Subscription Level as set out below:-

	Shareholding as at the LPD		Undertaking/ Underwriting				Shareholding after the Undertaking/ Underwriting	
	No. of Shares	%*1	Subscription/ Underwritten amount RM	Subscription based on entitlement No. of Rights Shares	Subscription based on excess application No. of Rights Shares	Total No. of Rights Shares	No. of Shares	%*2
Undertaking Shareholder	101,590,062	15.05	50,000,000	162,544,099	64,728,628	227,272,727	328,862,789	20.76
Kenanga IB	-	-	100,000,000	-	454,545,454	454,545,454	454,545,454	28.69
Malacca Securities	-	-	50,000,000	-	227,272,727	227,272,727	227,272,727	14.35
Total	**101,590,062**	**15.05**	**200,000,000**	**162,544,099**	**746,546,809**	**909,090,908**	**1,010,680,970**	**63.80**

Notes:-

*1 Based on 675,063,445 issued JRB Shares as at the LPD

*2 Based on the enlarged 1,584,154,353 issued JRB Shares under the Minimum Subscription Level

Please refer to Section 3 of this Abridged Prospectus for further information.

iv. Use of proceeds

The total gross proceeds to be raised from the Rights Issue with Warrants will be used in the manner as set out below:-

Description of use of proceeds	Minimum Scenario RM'000	Maximum Scenario RM'000	Estimated timeframe for use of proceeds from the date of listing of the Rights Shares
Subscription of additional 30.00 million JPP USD Shares in JPP	128,400	128,400	Within 6 months
Future business projects or investments	20,000	80,000	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	25,000	Within 36 months
Working capital requirements	4,419	13,675	Within 36 months
Estimated expenses for the Rights Issue with Warrants	5,600	5,600	Immediate
Total estimated proceeds	**200,000**	**284,256**	

Please refer to Section 4 of this Abridged Prospectus for further information.

v. Risk factors

You should carefully consider, amongst others, the following risk factors before subscribing for or investing in the Rights Issue with Warrants:-

a) **Sustainability of order book**. Our Group's revenue for the construction segment is largely dependent on the sustainability of our order book, which is in turn affected by the business and economic conditions of the countries in which we operate. Depending on the business and economic environment, customers may cancel or delay their projects, which in turn, could jeopardise our Group's revenue; and

b) **Risks associated with joint venture(s)**. The occurrence of any disputes between our Group and our joint venture partners may materially and adversely affect the performance of our joint venture entities, which may in turn materially affect the business, financial conditions, results of operations and prospects of our Group.

Please refer to Section 6 of this Abridged Prospectus for further information.

vi. Procedures for application for the Rights Shares with Warrants and Excess Rights Shares with Warrants

Acceptance of and payment for the Provisional Allotments allotted to you and application for the Excess Rights Shares with Warrants must be made by way of the RSF enclosed together with this Abridged Prospectus and must be completed in accordance with the notes and instructions of the RSF or by way of e-Subscription and must conform to the terms and conditions of TIIH Online contained therein.

The last day, date and time for acceptance of and payment for the Provisional Allotments and the Excess Rights Shares with Warrants is on **Thursday, 12 November 2020 at 5.00 p.m.**

Please refer to Section 10 of this Abridged Prospectus for further information.

JAKS RESOURCES BERHAD
Registration No. 200201017985 (585648-T)
(Incorporated in Malaysia)

Registered Office

802, 8th Floor
Block C, Kelana Square
17, Jalan SS7/26
47301 Petaling Jaya
Selangor Darul Ehsan

27 October 2020

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)*

To: Our Entitled Shareholders

Dear Sir/ Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 1,292,073,304 RIGHTS SHARES AT AN ISSUE PRICE OF RM0.22 PER RIGHTS SHARE TOGETHER WITH UP TO 646,036,652 WARRANTS ON THE BASIS OF 8 RIGHTS SHARES TOGETHER WITH 4 WARRANTS FOR EVERY 5 EXISTING JRB SHARES HELD AS AT 5.00 P.M. ON TUESDAY, 27 OCTOBER 2020

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1. INTRODUCTION

On 22 May 2020, Kenanga IB had, on behalf of our Board, announced that our Company proposes to undertake the Original Proposed Rights Issue with Warrants.

Subsequently on 13 July 2020, Kenanga IB had, on behalf of our Board, announced that after further deliberation, our Board had resolved to revise the following key terms of the Original Proposed Rights Issue with Warrants:-

i. maximum gross proceeds to be raised to RM289.64 million from RM160.92 million; and

ii. Minimum Subscription Level to be raised to RM200.00 million from RM130.00 million

(Collectively referred to as the "**Revisions**")

Further details on the rationale for the Revisions are set out in Section 5 of this Abridged Prospectus.

On 27 August 2020, Kenanga IB had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 27 August 2020, resolved to approve the following:-

i. listing and quotation of up to 2,413,662,345 Rights Shares to be issued pursuant to the Rights Issue with Warrants;

ii. admission of the Warrants to the Official List of Bursa Securities and the listing and quotation of up to 1,206,831,172 Warrants;

iii. listing and quotation of up to 151,906,604 Additional Warrants B; and

iv. listing and quotation of up to 1,206,831,172 and 151,906,604 new JRB Shares to be issued arising from the exercise of the Warrants and the Additional Warrants B, respectively,

on the Main Market of Bursa Securities.

The above approval from Bursa Securities was sought based on the following:-

i. an illustrative entitlement basis at 3 Rights Shares for every 1 existing JRB Shares held;

ii. an illustrative issue price of RM0.12 per Rights Share; and

iii. an illustrative entitlement basis of 1 Warrant for every 2 Rights Shares subscribed for.

Nonetheless, the abovementioned illustrative entitlement basis for the Rights Issue and Warrants and the illustrative issue price of the Rights Shares should not be regarded as an indication or reference to the final entitlement basis for the Rights Issue with Warrants and the final issue price for the Rights Shares.

The approval from Bursa Securities is subject to the conditions as set out below:-

Condition		Status of compliance
a)	JRB and Kenanga IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue with Warrants;	Noted
b)	JRB and Kenanga IB to inform Bursa Securities and make immediate announcement on the entitlement basis, issue price of the Rights Shares, discount on the issue price, number of Rights Shares and Warrants to be issued and the exercise price of the Warrants, once it has been decided;	Complied via our letter to Bursa Securities dated 9 October 2020 and the announcement dated 9 October 2020
c)	JRB and Kenanga IB to inform Bursa Securities upon completion of the Rights Issue with Warrants;	To be complied
d)	JRB and Kenanga IB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Warrants is completed;	To be complied
e)	JRB to furnish Bursa Securities on a quarterly basis a summary of the total number of new ordinary shares listed pursuant to the exercise of the Warrants as at the end of each quarter together with its detailed computation of the listing fees payable;	To be complied

Condition		Status of compliance
f)	If applicable, payment of additional listing fee based on the final issue price together with a copy of the details of the computation of the amount of listing fees payable; and	Not applicable
g)	To incorporate Bursa Securities' comments in respect of the draft circular to shareholders.	Complied

On 24 September 2020, our shareholders had approved the Rights Issue with Warrants at our EGM.

On 9 October 2020, Kenanga IB had on behalf of our Board, announced the following:-

i. the entitlement basis of the Rights Issue with Warrants has been fixed at 8 Rights Shares together with 4 Warrants for every 5 JRB Shares held by the Entitled Shareholders on the Entitlement Date;

ii. the issue price of the Rights Shares has been fixed at RM0.22 per Rights Share;

iii. the exercise price of the Warrants has been fixed at RM0.49 per Share; and

On 13 October 2020, Kenanga IB had on behalf of our Board, announced that the Entitlement Date has been fixed on Tuesday, 27 October 2020 at 5.00 p.m. together with the other relevant dates pertaining to the Rights Issue with Warrants.

No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by our Company or Kenanga IB.

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Rights Issue with Warrants

The Rights Issue with Warrants entails the issuance of up to 1,292,073,304 Rights Shares at an issue price of RM0.22 per Rights Share together with up to 646,036,652 Warrants, on the basis of 8 Rights Shares together with 4 Warrants for every 5 existing JRB Shares held by our Entitled Shareholders on the Entitlement Date.

The Rights Issue with Warrants is to be undertaken on a Minimum Subscription Level basis as detailed in Section 3 of this Abridged Prospectus. However, should all the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable), subscribe in full for their respective entitlements under the Maximum Scenario of the Rights Issue with Warrants, our Company may potentially raise up to RM284.26 million.

The entitlements for the Rights Shares together with the Warrants are renounceable in full or in part. Accordingly, the Entitled Shareholders may subscribe for and/ or renounce their respective entitlements to the Rights Shares together with Warrants in full or in part.

However, the Rights Shares and Warrants cannot be renounced separately and only the Entitled Shareholders who subscribe for the Rights Shares will be entitled to the Warrants. If the Entitled Shareholders renounce all of their Rights Shares entitlements, they will not be entitled to any Warrants. If the Entitled Shareholders accept only part of their Rights Shares entitlements, they will be entitled to the Warrants in proportion to their acceptances of the Rights Shares entitlements.

Any unsubscribed Rights Shares with Warrants will be made available to other Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable), via the Excess Application. Fractional entitlements of the Rights Shares with Warrants arising from the Rights Issue with Warrants, if any, shall be disregarded and dealt with in such manner as our Board, in their absolute discretion deems fit, expedient, and to be in the best interest of our Company. It is the intention of our Board to allocate the Excess Rights Shares with Warrants, if any, in a fair and equitable manner, and on a basis as set out in Section 10.9 of this Abridged Prospectus.

As the Rights Shares with Warrants are prescribed securities, your CDS Account will be duly credited with the number of Provisional Allotments which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants. You will find enclosed in this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the Provisional Allotments as well as to apply for the Excess Rights Shares with Warrants if you choose to do so.

An electronic notification on the Rights Issue with Warrants will also be sent to all Registered Entitled Shareholders on the date of despatch of the Abridged Prospectus, NPA and RSF. However, only Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors or who have provided our Share Registrar with an address in Malaysia in writing by the Entitlement Date will receive this Abridged Prospectus, together with the NPA and RSF and the electronic notification.

Any dealings in our securities will be subject to, amongst others, the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, the Rights Shares with Warrants will be credited directly into the respective CDS Accounts of the successful applicants. However, no physical certificates will be issued.

We will allot and issue the Rights Shares with Warrants and despatch the notices of allotment to the successful applicants within 8 Market Days from the last date for acceptance of and payment for the Rights Shares with Warrants or such other period as may be prescribed by Bursa Securities.

The Warrants will be admitted to the Official List and the listing and quotation of the Rights Shares and Warrants will commence 2 Market Days upon receipt by Bursa Securities of an application for quotation for these securities as specified under the Listing Requirements, which will include amongst others, confirmation that all notices of allotment have been despatched to the successful applicants, and after receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful applicants have been duly credited with the Rights Shares and Warrants.

The salient terms of the Warrants are set out in Appendix I of this Abridged Prospectus.

2.2 Basis and justification for the entitlement basis, issue price of the Rights Shares and exercise price of the Warrants

2.2.1 Entitlement basis

Our Board has fixed the entitlement basis for the Rights Issue with Warrants at 8 Rights Shares together with 4 Warrants for every 5 existing JRB Shares held at the Entitlement Date. The entitlement basis for the Rights Shares was arrived at after taking into consideration the Minimum Subscription Level and the issue price of the Rights Shares of RM0.22.

The entitlement basis for the Warrants was determined and fixed by our Board after taking into consideration of the following:-

i. the entitlement basis for the Rights Shares;

ii. dilutive effect arising from the exercise of the Warrants on the earnings or loss per Share; and

iii. compliance with paragraph 6.50 of the Listing Requirements which states that the number of new Shares which will arise from the exercise of all outstanding convertible equity securities (i.e. Warrants, Warrants B and Additional Warrants B), shall not exceed 50.00% of the total number of issued Shares (excluding treasury shares, if any, and before the exercise of the said convertible equity securities) at all times.

2.2.2 Issue price

Our Board has fixed the issue price of the Rights Shares at RM0.22 per Rights Share. This represents a discount of RM0.27 or approximately 55.10% to the TERP of JRB Shares of RM0.49, calculated based on the 5-day VWAMP of JRB Shares up to and including 8 October 2020, being the last Market Day immediately preceding the price-fixing date ("**LTD**"), of RM0.91 per JRB Share.

The issue price of the Rights Shares was determined and fixed by our Board after taking into consideration the following:-

i. the funding requirements of our Group as set out in Section 4 of this Abridged Prospectus; and

ii. the issue price of the Rights Shares is deemed to be sufficiently attractive to encourage the subscription of the Rights Shares by the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable). Our Board has also taken into consideration the prevailing market conditions and market prices of JRB Shares at the price-fixing date subject to a discount of at least 50.00% to the TERP of JRB Shares based on the 5-day VWAMP of JRB Shares up to and including the LTD.

The issue price of RM0.22 represents the following discount to the respective TERP based on the respective VWAMP of JRB Shares:-

		TERP* (adjusted based on VWAMP)	Discount (i.e. issue price – TERP)	
	RM	RM	RM	%
5-day VWAMP of JRB Shares up to and including the LTD	0.91	0.49	0.27	55.10
1-month VWAMP of JRB Shares up to and including the LTD	0.87	0.47	0.25	53.19
3-month VWAMP of JRB Shares up to and including the LTD	0.86	0.47	0.25	53.19
6-month VWAMP of JRB Shares up to and including the LTD	0.95	0.50	0.28	56.00

(Source: Bloomberg Finance Singapore L.P.)

Note:-

* The TERP is calculated based on the formula set out below:-

$$\text{TERP} = \frac{(P \times B) + (Z \times A)}{B + A}$$

where:-

P : 5-day VWAMP of JRB Shares immediately preceding the price-fixing date
A : Number of Rights Shares
B : Number of existing JRB Shares
Z : Issue price per Rights Share

Based on the above, the issue price of RM0.22 per Rights Share represents a discount ranging from approximately 53.19% to approximately 56.00% over the TERP, computed based on 5-day VWAMP, 1-month VWAMP, 3-month VWAMP and 6-month VWAMP of JRB Shares up to and including the LTD.

The said minimum discount was determined by our Board to enhance the attractiveness of the Rights Shares to encourage the subscription by Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) which will allow our Company to raise a maximum gross proceeds of RM284.26 million under the Maximum Scenario from the Rights Issue with Warrants that will be channelled towards the purposes as set out in Section 4 of this Abridged Prospectus.

2.2.3 Exercise price of the Warrants

The Warrants attached to the Rights Shares will be issued at no cost to the Entitled Shareholders who successfully subscribed for the Rights Shares.

Our Board has determined and fixed the exercise price of the Warrants at RM0.49 per JRB Share. This represents the TERP of JRB Shares of RM0.49, calculated based on the 5-day VWAMP of JRB Shares up to and including the LTD of RM0.91 per JRB Share.

2.3 Ranking of the Rights Shares, Warrants and new Shares to be issued arising from the exercise of the Warrants

The Warrant holders are not entitled to vote in any general meeting of our Company and/ or to participate in any form of distribution other than on winding-up, liquidation, compromise or arrangement of our Company and/ or any offer of further securities in our Company unless and until the holder of Warrants becomes a shareholder of our Company by exercising his/ her Warrants into new JRB Shares or unless otherwise resolved by our Company in a general meeting.

The Rights Shares and the new Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing JRB Shares, save and except that the Rights Shares and the new Shares to be issued arising from the exercise of the Warrants will not be entitled to any dividends, rights, allotments and/ or any other distributions that may be declared, made or paid to shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Rights Shares and the new Shares to be issued arising from the exercise of the Warrants.

3. SHAREHOLDER'S UNDERTAKING AND UNDERWRITING ARRANGEMENT

Our Company intends to raise a minimum of RM200.00 million from the Rights Issue with Warrants which will be channelled towards the proposed use of proceeds as set out in Section 4 of this Abridged Prospectus. As such, the Rights Issue with Warrants will be undertaken on the Minimum Subscription Level basis. Based on the entitlement basis of 8 Rights Shares together with 4 Warrants for every 5 JRB Shares held, the Minimum Subscription Level would involve the issuance of 909,090,908 Rights Shares together with 454,545,454 Warrants, to arrive at RM200.00 million.

To achieve the Minimum Subscription Level basis, our Company has procured the Undertaking and had entered into the Underwriting Agreement as detailed below.

3.1 Major shareholder's undertaking

Our Company had procured an unconditional and irrevocable undertaking from the Undertaking Shareholder, to apply and subscribe in full for his Rights Shares entitlement and additional Rights Shares not taken up by other Entitled Shareholders and/ or renouncees and/ or transferees (if applicable) by way of Excess Application up to an aggregate amount of RM50.00 million.

A summary of the Undertaking are as set out below:-

	Shareholding as at the LPD		Subscription based on entitlement	Subscription based on Excess Application	Total	Shareholding after the Undertaking		Funding required*3
	No. of Shares	%*1	No. of Rights Shares	No. of Rights Shares	No. of Rights Shares	No. of Shares	%*2	RM
Undertaking Shareholder	101,590,062	15.05	162,544,099	64,728,628	227,272,727	328,862,789	20.76	50,000,000

Notes:-

*1 Based on 675,063,445 issued JRB Shares as at the LPD

*2 Based on the enlarged 1,584,154,353 issued JRB Shares under the Minimum Subscription Level

*3 Based on the issue price of RM0.22 per Rights Share

The Undertaking provided by the Undertaking Shareholder reflects his commitment and confidence in growing our Company's business and driving our performance further.

Accordingly, the Undertaking Shareholder had provided confirmation that he has sufficient financial resources for the Undertaking. The said confirmation has been verified by Kenanga IB, being the Principal Adviser for the Rights Issue with Warrants. In verifying the confirmation from the Undertaking Shareholder, Kenanga IB had procured a confirmation letter from the Undertaking Shareholder's financier to confirm the same.

Pursuant to the Undertaking, the Undertaking Shareholder has irrevocably and unconditionally warranted that he shall not sell or in any other way dispose of or transfer his existing interest in our Company or any part thereof during the period commencing from the Undertaking up to the Entitlement Date.

3.2 Underwriting arrangement

As the Rights Issue with Warrants is undertaking on a Minimum Subscription Level basis, our Company had on 13 October 2020 entered into the Underwriting Agreement whereby the Joint Underwriters will underwrite 681,818,181 Rights Shares ("**Underwritten Shares**") together with 340,909,090 Warrants amounting approximately RM150.00 million for which no unconditional and irrevocable written undertaking to subscribe for the Rights Shares has been obtained. Details of the Underwriting are as set out below:-

Joint Underwriters	Shareholdings as at the LPD No. of Shares	%	Rights Shares to be underwritten No. of Shares	%*1	Shareholdings after the Underwriting No. of Shares	%*2	Funding required*3 RM
Kenanga IB	-	-	454,545,454	50.00	454,545,454	28.69	100,000,000
Malacca Securities	-	-	227,272,727	25.00	227,272,727	14.35	50,000,000
Total	**-**	**-**	**681,818,181**	**75.00**	**681,818,181**	**43.04**	**150,000,000**

Notes:-

*1 Based on 909,090,908 Rights Shares to be issued under the Minimum Subscription Level

*2 Based on the enlarged 1,584,154,353 issued JRB Shares under the Minimum Subscription Level

*3 Based on the issue price of RM0.22 per Rights Share

For the avoidance of doubt, the Entitled Shareholders and/ or their renouncees (if any) (excluding the Joint Underwriters), shall be given priority and shall first be allocated with all the excess Rights Shares and Warrants applied for, if any. Upon completion of such allocation, the Joint Underwriters shall only then apply and be allocated for the remaining number of unsubscribed Rights Shares and Warrants, if any, to raise the minimum gross proceeds of RM200.00 million.

The underwriting commission payable by our Company is 3.00% of the total value of the Underwritten Shares. The underwriting commission is subject to the terms and conditions of the Underwriting Agreement. The underwriting commission and all related costs in relation to the underwriting arrangement will be fully borne by our Company from the proceeds of the Rights Issue with Warrants.

Notwithstanding any other provisions in the Underwriting Agreement, the Managing Underwriter and Joint Underwriters may by notice in writing to our Company given at any time on or before the Closing Date, terminate and cancel and withdraw the commitment of the Joint Underwriters to underwrite the Underwritten Shares if:-

i. any of the conditions precedent set out in the Underwriting Agreement are not duly satisfied by the Closing Date;

ii. there is any material breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the reasonable satisfaction of the Managing Underwriter and/ or Joint Underwriters (i) within 10 Market Days from the date our Company is notified by the Managing Underwriter and/ or Joint Underwriters of such breach, or (ii) by the Closing Date, whichever is the earlier;

iii. there is failure on the part of our Company to perform any of our obligations contained in the Underwriting Agreement which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Managing Underwriter and Joint Underwriters within such number of days as stipulated by the Managing Underwriter and Joint Underwriters to our Company or as stipulated in the notice informing our Company of such breach or by the Closing Date, whichever is earlier;

iv. there is withholding of information of a material nature from the Managing Underwriter and/ or Joint Underwriters which is required to be disclosed pursuant to the Underwriting Agreement which, in the reasonable opinion of the Managing Underwriter and/ or Joint Underwriters, would have a material adverse effect on the business or operations of our Company or any of our subsidiaries or the success of the Rights Issue with Warrants;

v. there shall have occurred or happened any material adverse change in the business or financial condition of our Company or any of our subsidiaries;

vi. there shall have occurred or happened any of the following circumstances:-

    a) material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions or exchange control or currency exchange rates (including but not limited to conditions on the stock market in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or the occurrence of any combination of any of the foregoing; or

    b) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Managing Underwriter and Joint Underwriters (including without limitation, acts of God, national disorder, declaration of a state of national emergency, acts of terrorism, strikes, lock-outs, fire, explosion, sabotage, flooding, civil commotion, sabotage, acts of war or accidents or pandemics), which would have or can reasonably be expected to have, in the reasonable opinion of the Managing Underwriter and Joint Underwriters, a material and adverse effect on, and/ or materially and adversely prejudice the business or the operations of our Company or any of our subsidiaries or the success of the Rights Issue with Warrants, or which has or is reasonably likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms;

vii. the approval of Bursa Securities or the SC for the listing of and quotation for the Rights Shares with Warrants on Bursa Securities is withdrawn or subjected to conditions not acceptable to the Managing Underwriter and Joint Underwriters; or

viii. if the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) drops below 1,400 points for 3 consecutive Market Days.

In addition, the Managing Underwriter and Joint Underwriters may after consultation with our Company in such manner as the Managing Underwriter and Joint Underwriters shall reasonably determine by notice in writing to our Company given at any time before the Closing Date, terminate, cancel and withdraw its commitment to underwrite the Underwritten Shares on any of the following grounds:-

i. the coming into force of any laws or governmental regulations or directives which seriously affect or will seriously affect the businesses of our Group;

ii. any material and adverse change in the condition (financial or otherwise) of our Group from that described in this Abridged Prospectus;

iii. any change in national or international monetary, financial (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates;

iv. any material adverse change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the abovementioned events or occurrences which would prejudice the Rights Issue with Warrants;

v. any matter which had arisen immediately before the date of this Abridged Prospectus and not having been disclosed in this Abridged Prospectus, would have constituted a material omission in the context of the Rights Issue with Warrants;

vi. any event, act or omission which gives or is likely to give rise to any liability of our Company pursuant to the indemnities contained under the Underwriting Agreement;

vii. any government requisition or occurrence of any other nature which materially or adversely affect or will materially or adversely affect the business and/ or financial position of our Group;

viii. any new law, regulation, directives, policy or ruling, or any change in the existing laws, regulations, directives, policies or rulings or any change in the interpretation or application thereof by any court or other competent authority of any relevant jurisdiction which may have any material adverse effect on our Group;

ix. there is withholding of information of a material nature from the Managing Underwriter and Joint Underwriters which is required to be disclosed pursuant to the Underwriting Agreement;

x. any events or series of events beyond the reasonable control of the Managing Underwriter and the Joint Underwriters including (without limitation) acts of government, national disorder, declaration of a state of national emergency, strikes, lock-outs, armed conflict or serious threat of the same, hostilities, mobilisation, blockade, embargo, detention, revolution, riot, looting or other labour disputes, any unavailability of transportation or severe economic dislocation, fire, explosion, flooding, earthquake, typhoon, tidal wave, lightning, tempest, civil commotion, acts of war, sabotage, epidemic and disease, acts of God (including without limitation tsunami and/or earthquakes), acts of terrorism or accidents which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance according to its terms or which prevents the processing of applications and/or payments pursuant to the Rights Issue with Warrants or pursuant to the underwriting of the Underwritten Shares;

xi. the imposition of any moratorium, suspension or material restriction on trading in securities generally in Bursa Securities due to exceptional financial circumstances or otherwise; and/ or

xii. the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) is trading below 1,400 points as set out in the Underwriting Agreement.

In the event our Company is unable to achieve the Minimum Subscription Level due to the occurrence of any of the abovementioned provisions or for any reason whatsoever, the Rights Issue with Warrants shall be aborted and all application monies received by our Company pursuant to the Rights Issue with Warrants will be refunded without interest to the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) who have subscribed for the Rights Shares with Warrants in accordance with Section 243 of the CMSA.

After taking into consideration the Underwriting, the Undertaking will not give rise to any mandatory general offer obligation pursuant to the Malaysian Code on Take-Overs and Mergers, 2016 ("**Code**") and the Rules on Take-Overs, Mergers and Compulsory Acquisitions ("**Rules**"). The Underwriting will not give rise to any mandatory general offer obligation pursuant to the Code and the Rules.

Pursuant to Paragraph 8.02(1) of the Listing Requirements, a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. A listed issuer which fails to maintain the said public shareholding spread requirement may request for an extension of time to rectify the situation in the manner as may be prescribed by Bursa Securities. In respect of the breach of Paragraph 8.02(1) of the Listing Requirements, Bursa Securities may take or impose any type of action or penalty pursuant to Paragraph 16.19 of the Listing Requirements, and/ or may suspend the trading in the securities of our Company pursuant to Paragraph 16.02 of the Listing Requirements.

As at the LPD, the public shareholding spread of our Company is 81.67%. The pro forma public shareholdings of our Company would potentially be reduced to 34.80% based on the Minimum Scenario. In this regard, our Company expects to continue to comply with the minimum public shareholding spread of 25.00% pursuant to Paragraph 8.02(1) of the Listing Requirements upon completion of the Rights Issue with Warrants.

4. USE OF PROCEEDS

Based on the issue price of RM0.22 per Rights Share, the Rights with Warrants is expected to raise gross proceeds of up to RM284.26 million, which are intended to be used in the following manner:-

Description of use of proceeds	Minimum Scenario RM'000	Maximum Scenario RM'000	Estimated timeframe for use of proceeds from the date of listing of the Rights Shares
Subscription of additional 30.00 million JPP USD Shares (1)	128,400	128,400	Within 6 months
Future business projects or investments (2)	20,000	80,000	Within 36 months
Partial repayment of borrowings (3)	31,581	31,581	Within 24 months
Preliminary expenses in relation to venture into new construction projects in Vietnam (4)	10,000	25,000	Within 36 months
Working capital requirements (5)	4,419	13,675	Within 36 months
Estimated expenses for the Rights Issue with Warrants (6)	5,600	5,600	Immediate
Total estimated proceeds	**200,000**	**284,256**	

Notes:-

(1) On 6 July 2015, JPH, a wholly-owned subsidiary of our Company, formed a joint-venture with CPECC to invest in the Power Plant. A circular to shareholders which sets out the details of the Joint Venture was issued on 28 August 2015 and the Joint Venture was approved by our Company's shareholders at our Extraordinary General Meeting convened on 15 September 2015.

Pursuant to the subscription agreement between JPH, CPECC, JPP and JRB dated 6 July 2015 ("**Subscription Agreement**") in relation to the Joint Venture:-

i. JPH to subscribe for approximately 140.14 million JPP USD Shares at the subscription price of approximately USD140.14 million; and

ii. CPECC to subscribe for:-

a) approximately 140.14 million JPP USD Shares at the subscription price of approximately USD140.14 million;

b) 186.85 million redeemable convertible preference shares in JPP ("**RCPS**") at the subscription price of USD186.85 million; and

c) 100 ordinary shares in JPP at the subscription price of Hong Kong Dollar ("**HKD**") 100 ("**JPP HKD Shares**").

For the avoidance of doubt, JPP was a wholly-owned subsidiary of JPH prior to the execution of the Subscription Agreement, with an issued and paid-up share capital of HKD100 comprising JPP HKD Shares.

The payment obligations for the above under the Subscription Agreement are as set out below:-

	JPH		CPECC						
	JPP USD Shares	JPP USD Shares	JPP HKD Shares	JPP HKD Shares	JPP USD Shares	JPP USD Shares	RCPS	RCPS	
	No. of shares ('mil)	USD' mil	No. of shares	HKD	No. of shares ('mil)	USD' mil	No. of RCPS ('mil)	USD' mil	Timeframe
First call	14.35	14.35	100	100	14.35	14.35	19.13	19.13	Within 14 days from the unconditional date of the Subscription Agreement
Second call	13.13	13.13	-	-	13.13	13.13	17.51	17.51	Within 3 to 6 months from the unconditional date of the Subscription Agreement or such other time as the parties may mutually agree
Remaining	112.66	112.66	-	-	112.66	112.66	150.21	150.21	In the manner to be mutually agreed by the parties
Total	**140.14**	**140.14**	**100**	**100**	**140.14**	**140.14**	**186.85**	**186.85**	

A total of approximately USD467.13 million arising from the progressive issuance of the abovementioned securities in JPP will be used to finance the Project. The estimated total cost for the Project is USD1,868.50 million and is intended to be financed under a capital structure of approximately 75% debt and 25% equity.

The construction of the Power Plant, which comprises two 600 megawatt generating units, commenced in the first quarter of 2016. As at 30 September 2020, approximately 95.70% of the overall construction works at the Power Plant site have been completed and a total Project cost (including interests and other related expenses) of USD1,470.00 million have been incurred. The first 600 megawatt generating unit is expected to be completed and to commence generation of power by the fourth quarter of 2020 whilst the second 600 megawatt generating unit is expected to be completed and commence generation of power by the first quarter of 2021. Following completion of construction of the Power Plant, JPH and CPECC will jointly operate the Power Plant with a 25-year concession under the "build-operate-transfer" structure. The estimated annual output of the Power Plant is 7.5 billion kilowatt-hours, with a maximum installed capacity of 1,200 megawatt. For the avoidance of doubt, the Power Plant has not commenced operations and no revenue has been generated from the Power Plant as at the LPD.

In view of the on-going construction works, JPP intends to raise additional USD240.00 million in 2020 to partially finance the estimated remaining Project cost of USD398.50 million. In this regard, an additional borrowing of USD180.00 million is expected to be drawn down and both JPH and CPECC have mutually agreed to each subscribe for 30.00 million JPP USD Shares at the subscription price of USD30.00 million in 2020 ("**Subscription**") to maintain the intended capital structure of approximately 75% debt and 25% equity. For the year 2020, as at the LPD, JPH has subscribed for 15.00 million JPP USD Shares at the subscription price of USD15.00 million while CPECC has subscribed for 30.00 million JPP USD Shares at the subscription price of USD30.00 million. For the avoidance of doubt, the additional borrowing of USD180.00 million has not been drawn down as at the LPD.

As at the LPD, JPP has raised a total of USD1,449.00 million by way of total borrowings amounting to USD1,051.50 million and via the issuance of 221.00 million JPP USD Shares for USD221.00 million, 176.50 million RCPS for USD176.50 million and 200 JPP HKD Shares for HKD200. A summary of the total securities in JPP subscribed as well as the remaining amount to be subscribed pursuant to the Subscription Agreement are as set out below:-

	JPH	CPECC			Total		
	JPP USD Shares	JPP HKD Shares	JPP USD Shares	RCPS	JPP HKD Shares	JPP USD Shares	RCPS
	USD' mil	HKD	USD' mil	USD' mil	HKD	USD' mil	USD' mil
Subscribed in accordance to the terms and conditions of the Joint Venture, details of which are set out in our Company's circular to shareholders dated 28 August 2015 in relation to the Joint Venture	103.00*	100	118.00	176.50	100	221.00	176.50
Remaining amount to be subscribed pursuant to the Subscription Agreement	37.14	-	22.14	10.35	-	59.28	10.35
Total	**140.14**	**100**	**140.14**	**186.85**	**100**	**280.28**	**186.85**

Note:-

* Funded entirely via internally-generated funds of our Group

With regard to the above, the remaining amount to be incurred by our Group pursuant to the Subscription Agreement amounting to USD37.14 million (including the remainder 50.00% for the Subscription in 2020). The said amount will be used to partially finance the remaining Project cost to complete the construction of the Power Plant. Save for the above, our Group is not expected to incur additional amount pursuant to the Subscription Agreement.

The remaining amount is expected to be subscribed and paid in the following manner:-

	JPH	CPECC		Total	
Timeframe for subscription	JPP USD Shares USD' mil	JPP USD Shares USD' mil	RCPS USD' mil	JPP USD Shares USD' mil	RCPS USD' mil
Fourth quarter of 2020	15.00#	-	-	15.00	-
First half of 2021	22.14##	22.14	10.35	44.28	10.35
Total	**37.14**	**22.14**	**10.35**	**59.28**	**10.35**

Notes:-

Being the remainder 50.00% for the Subscription in 2020, which is intended to be funded via proceeds to be raised from the Rights Issue with Warrants

The remaining subscription amount of approximately USD22.14 million may be funded via a combination of internally-generated funds, bank borrowings and/ or equity fundraising, the combination of which will be determined at a later stage after taking into consideration, amongst others, cost of funding and working capital requirements of our Group. In addition, our Group may also partly finance the remaining subscription amount via any surplus of proceeds not used for the future business projects or investments as set out in Note (2) below

The equity interest and effective economic interest (after taking into account both the ordinary shares in JPP and RCPS) of JPH and CPECC in JPP are as set out below:-

	As at the LPD			After the Subscription		
	JPH	CPECC	Total	JPH	CPECC	Total
Equity interest[(a)]	47%	53%	100%	50%	50%	100%
Effective economic interest[(b)]	26%	74%	100%	29%	71%	100%

Notes:-

(a) Computed based on the quantum of total contributions made by the parties of the Joint Venture to JPP as at any point in time via subscription of JPP USD Shares and JPP HKD Shares

(b) Computed based on the quantum of total contributions made by the parties of the Joint Venture to JPP as at any point of time via subscription of JPP USD Shares, JPP HKD Shares and RCPS

For information purposes only, pursuant to the call option agreement between JPH and CPECC dated 6 July 2015, JPH has the option to acquire from CPECC such number of RCPS or such equivalent number of JPP USD Shares upon conversion of the RCPS into JPP USD Shares or such combination of number of JPP USD Shares and/ or RCPS, whereby upon exercise of such option by JPH, JPH's effective economic interest in JPP shall be up to 40%.

As stated in the circular to shareholders dated 28 August 2015 in relation to the Joint Venture, our Group proposed to source the required financing for the financial obligation of its equity commitment under the Subscription Agreement of approximately USD140.14 million from internally-generated funds and external borrowings. As at the LPD, JPH's total subscription of 103.00 million JPP USD Shares amounting to USD103.00 million have been funded entirely via internally-generated funds of our Group.

Notwithstanding the above, after taking into consideration of our Group's negative operating cash flow position (approximately negative RM27.01 million based on the latest unaudited quarterly results for the 6-month period ended 30 June 2020) and the global and domestic economic and financial conditions caused by the outbreak of COVID-19, our Company intends to use up to RM128.40 million of the proceeds to be raised from the Rights Issue with Warrants to finance the Subscription of 30.00 million JPP USD Shares at the subscription price of USD30.00 million in 2020 (equivalent to approximately RM124.50 million as at the LPD and may be subject to change depending on the exchange rate at the point of payment). This will enable our Group to reduce its reliance on internally-generated funds and/ or bank borrowings and thus, allow our Group to ease its cash flow and/ or working capital requirements for its existing business and on-going project requirements.

As at the LPD, pending the completion of the Rights Issue with Warrants, our Company has subscribed for 15.00 million new JPP USD Shares at the subscription price of USD15.00 million via internally-generated funds and our Company may use internally-generated funds and/ or procure borrowings to fund the remaining Subscription. Under such circumstances, the amount of proceeds from the Rights Issue with Warrants which is earmarked for the Subscription will then be used to replenish the internally-generated funds of our Group and/ or repay the borrowings, as the case may be. For information purposes only, our Company has obtained the Loan Facility to partly finance the Subscription pending completion of the Rights Issue with Warrants. As at the LPD, in view that the Rights Issue with Warrants is expected to be completed by the fourth quarter of 2020, our Company may not drawdown from the Loan Facility to fund the remaining Subscription.

However, in the event the Loan Facility is being drawn down to partly finance the Subscription pending completion of the Rights Issue with Warrants, our Company will fully repay the Loan Facility via the proceeds raised for the purpose of the Subscription. For information purposes only, the Loan Facility is expected to incur estimated interest of approximately RM1.92 million per annum based on the prevailing interest rate of 6.40% per annum as at the LPD.

Any surplus of proceeds not used for the Subscription will be used to fund our Group's working capital requirements. Any variation between the expected and actual proceeds for the Subscription will be adjusted against the proceeds allocated for the working capital requirements of our Group.

(2) Our Group is actively identifying suitable business projects or investments. The future business projects or investments could be in the existing industries which our Company is currently operating in, or complementary industries to its existing businesses, or different industries from its existing businesses. These future business projects or investments include, amongst others, energy/ power projects, infrastructure and water-infrastructure projects.

In respect of the above, our Group's wholly-owned subsidiary, JAKS Solar Power Sdn Bhd had, on 2 September 2020, submitted a tender for the fourth cycle of the Large Scale Solar scheme ("**LSS4**") to the Energy Commission of Malaysia for the development of a solar power plant with an export capacity of 50 megawatts. The total project cost is estimated to be approximately RM200.00 million which is expected to be financed via the proceeds to be raised from the Rights Issue with Warrants, internally-generated funds and/ or borrowings. In the event the tender is successful, the construction of the solar power plant is expected to commence in the second quarter of 2022 and be completed in the first quarter of 2023. Thereafter, the solar power plant is expected to commence power generation based on a 21-year concession period from the first quarter of 2023 until the first quarter of 2044.

Our Company intends to use the proceeds to fund the preliminary expenses of the said solar power plant project within 6 to 12 months from the completion of the Rights Issue with Warrants in the event the tender is successful. The result of the tender is expected to be announced in the first quarter of 2021. Any update or development in relation to the tender will be announced by our Company in accordance with the Listing Requirements.

As at the LPD, the other future business projects or investments are yet to be determined. Our Company shall make the requisite announcement and/ or shall seek shareholders' approval, if required by the Listing Requirements, as and when the future business projects or investments are confirmed.

The estimated timeframe for use of proceeds of up to 36 months was determined after taking into consideration the work load and time required for, amongst others, negotiations, tendering for projects, feasibility studies, due diligence process and/ or entering into relevant project agreements. As such, sufficient fundings are catered/ planned upfront to carry out the said activities and thus, is considered reasonable.

Any surplus of proceeds not used for such business projects or investments will be used to fund our Company's future subscription in JPP USD Shares pursuant to the Subscription Agreement and/ or our Group's working capital requirements.

(3) As at 30 September 2020, our Group's total borrowings stood at approximately RM394.91 million. Our Company intends to use approximately RM31.58 million to repay part of our Group's existing borrowings (including interest incurred) as set out below, based on a fixed repayment schedule in accordance with the terms under the respective term loan:-

Financier	Details of borrowings	Interest rate per annum %	Tenure years	Outstanding amount as at 30 September 2020 RM'000	Repayment amount		
					Principal RM'000	Interest RM'000	Total RM'000
Great Eastern Life Assurance (Malaysia) Berhad	Term loan provided to part finance the development cost of a 4-storey shopping mall known as Evolve Concept Mall	6.00	13.0 (Commenced in April 2014 and mature in April 2027)	234,419	-	20,475	20,475
Malayan Banking Berhad	Term loan provided to part finance the acquisition of a 4-storey commercial property known as Pacific Star Business Hub by Fortress Pavilion Sdn Bhd (our 51%-owned indirect subsidiary) from JIC (the developer of the property)	6.40	8.5 (Commenced in November 2019 and mature in February 2028)	97,000	6,000	5,106	11,106
Total				**331,419**	**6,000**	**25,581**	**31,581**

(i) **Evolve Concept Mall**

Evolve Concept Mall is a 4-storey shopping mall located in Ara Damansara, Selangor Darul Ehsan, with a total net lettable area ("**NLA**") of approximately 394,000 square feet. The construction of this mall was completed in 2015.

As at the LPD, approximately 81% of the NLA has been rented or occupied, with a major home furnishing store as the anchor tenant, taking up 109,542 square feet representing approximately 27.80% of the total NLA of the Evolve Concept Mall. Our Group is consistently exploring various options and initiatives to revamp and rejuvenate the Evolve Concept Mall to improve its occupancy rate and rental yield.

(ii) **Pacific Star Business Hub**

Pacific Star Business Hub is a 4-storey retail and office lots building located in Section 13, Petaling Jaya, Selangor Darul Ehsan, with a total NLA of 295,000 square feet. The construction of this business hub was completed in 2019.

As at the LPD, approximately 60% of the NLA has been rented or occupied, with a car manufacturer occupying 80,824 square feet representing approximately 27.40% of the total NLA of the Pacific Star Business Hub. Our Group is currently in negotiations with prospective tenants for the renting or leasing of the unoccupied NLA of the Pacific Star Business Hub.

As the proceeds are intended to be used to repay the abovementioned borrowings when they fall due, there shall not be any savings in interest payment arising from the repayment by our Group. Future servicing and repayment of the abovementioned borrowings will be funded via internally-generated funds and/ or bank borrowings.

(4) On 3 August 2015, Golden Keen was awarded the EPC Contract valued at USD454.50 million (equivalent to approximately RM1,886.18 million) for the construction of the Power Plant. In anticipation of the EPC Contract being completed by the first quarter of 2021, and leveraging on our Group's experience in undertaking the EPC Contract and various other construction projects in Malaysia, our Group intends to expand its business in the construction industry and as such, is in the midst of identifying opportunities for our Group to venture into construction projects in Vietnam. These construction projects include, amongst others, wastewater treatment plants and water supply, power and energy related infrastructures and roads, bridges and other related infrastructures.

Our Group intends to use up to RM25.00 million for the preliminary expenses relating to exploring construction projects in Vietnam. The expenses will mainly comprise of, amongst others, feasibility and engineering studies (including geotechnical and topographical studies), environmental and social impact assessment, professional fees as well as legal and regulatory related expenses. The project feasibility studies comprise of financial, technical and site assessment, and will be used to determine the suitability of the construction projects to be undertaken.

The viability of the construction projects can only be reasonably determined upon completion of the detailed feasibility studies. In the event that the construction projects are undertaken, our Group intends to obtain project financing and/ or financing through joint-ventures with strategic partners.

Our Group's management is having discussions with the government of Vietnam to explore potential infrastructure projects in Vietnam. Notwithstanding that the progress of such discussions has been affected due to travel restrictions imposed in Malaysia and Vietnam to contain the outbreak of COVID-19, immediate funding for this purpose is intended to be used for the preliminary expenses relating to securing such new potential projects, such as engaging advisers, feasibility studies and due diligence, where applicable.

The estimated timeframe for use of proceeds of up to 36 months was determined after taking into consideration the work load and time required for, amongst others, negotiations, tendering for projects, feasibility studies, due diligence process and/ or entering into relevant project agreements. As such, sufficient fundings are catered/ planned upfront to carry out said activities and thus, is considered reasonable.

Any surplus of proceeds not used for the preliminary expenses in relation to venture into new construction projects in Vietnam will be used to fund our Group's working capital requirements.

(5) Our Company intends to use up to RM13.68 million for the working capital requirements of the day-to-day operations of our Group in the manner below:-

	Minimum Scenario RM'000	Maximum Scenario RM'000
Staff related cost (i.e. salaries for staff, key management personnel and Executive Directors, contributions to the Employees Provident Fund and others)	3,419	12,675
Administrative expenses (e.g. utilities, professional fees, printing and stationery as well as office expenses such as general upkeep of office)	1,000	1,000
Total	**4,419**	**13,675**

For information purposes only, our Group incurred loss after tax of RM26.45 million based on the latest unaudited quarterly results for the 6-month period ended 30 June 2020 and recorded negative operating cash flow of RM27.01 million during the said period. The said loss after tax was mainly attributable to lower revenue from our construction segment due to the COVID-19 pandemic which resulted in slowdown of construction works as well as lower revenue from our property development and investment segment mainly due to the slowdown of business during the MCO period as compared to the preceding financial period. Our Group recorded a net cash used in operating activities of RM27.01 million in the 6-month FPE 30 June 2020 mainly due to the loss before taxation of RM25.22 million in the 6-month FPE 30 June 2020 as well as higher amount due from customers for contracts works amounting to RM99.17 million as at the end of the said period. Please refer to Section 5 of Appendix II of this Abridged Prospectus for further information on the historical financial information of our Group.

As at 30 September 2020, the cash and bank balances of our Group which are available to be used for purposes including working capital requirements and repayment of borrowings (including interest incurred) of our Group stood at approximately RM15.67 million. As such, the proceeds earmarked for the working capital requirements of our Group above will help to facilitate our Group's existing day-to-day operations as a whole by providing more flexibility in terms of cash flow management.

The estimated timeframe for use of proceeds of up to 36 months was determined after taking into consideration the additional proceeds that may be channelled to the working capital requirements of our Group (if any) in the event there is surplus of proceeds not used for other purposes such as future business projects or investments and preliminary expenses in relation to venture into new construction projects in Vietnam and thus, is considered reasonable.

(6) Estimated expenses for the Rights Issue with Warrants are as set out below:-

	RM'000
Professional fees (e.g. advisers, reporting accountants, underwriters (including underwriting commission) and solicitors)	5,300
Regulatory fees (i.e. Bursa Securities, Securities Commission Malaysia and Companies Commission Malaysia)	150
Other incidental expenses in relation to the Rights Issue with Warrants such as printing and advertising costs and miscellaneous expenses	150
Total	**5,600**

In the event the actual amount varies from the above estimated expenses for the Rights Issue with Warrants, the excess or deficit, as the case may be, will be adjusted to or from the amount earmarked for working capital requirements purposes.

The actual proceeds to be raised from the Rights Issue with Warrants under the Maximum Scenario will depend on the subscription rate for the Rights Shares. In the event the actual amount raised is higher than the Minimum Subscription Level of RM200.00 million but lower than the maximum proceeds of RM284.26 million, the actual proceeds will be allocated in the following priority:-

i. Subscription of additional 30.00 million JPP USD Shares;

ii. estimated expenses in relation to the Rights Issue with Warrants;

iii. partial repayment of borrowings;

iv. future business projects or investments;

v. preliminary expenses in relation to venture into new construction projects in Vietnam; and

vi. working capital requirements.

Any surplus in the funds allocated above will be adjusted to the amount allocated for our Group's working capital requirements. In the event of a shortfall in the actual amount of proceeds raised and that such proceeds arising therefrom are not sufficient to be used for the above purposes, our Company shall seek for other source of funding such as internally-generated funds and/ or bank borrowings.

Pending the use of the proceeds raised from the Rights Issue with Warrants for the abovementioned purposes, the proceeds raised will be placed in deposits with licensed financial institutions or short-term money market instruments. The interests derived from the deposits with the licensed financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital requirements for our Group.

The exact quantum of proceeds that may be raised by our Company from the exercise of the Warrants will depend on the actual number of Warrants exercised during the tenure of the Warrants.

The proceeds arising from the exercise of the Warrants will be used to finance the partial repayment of our Group's borrowings, working capital requirements for our Group and/ or future business projects or investments. The exact breakdown cannot be determined at this juncture and would be dependent on the actual requirements at the relevant time.

5. RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS

The Rights Issue with Warrants is undertaken to raise proceeds to be used in the manner as set out in Section 4 of this Abridged Prospectus. After due consideration of the various options available to our Company, our Board is of the opinion that the Rights Issue with Warrants is an appropriate option as:-

i. it will enable our Company to raise funds without incurring interest expense as compared to bank borrowings;

ii. it will involve the issuance of new JRB Shares without diluting the existing shareholders' percentage shareholdings provided that all Entitled Shareholders subscribe in full for their respective entitlements pursuant to the Rights Issue with Warrants; and

iii. it will provide the Entitled Shareholders with an opportunity to increase their equity participation in our Company from the subscription of the Rights Shares and by exercising the Warrants into new JRB Shares.

The free Warrants which are attached to the Rights Shares are intended to provide an added incentive to the Entitled Shareholders to subscribe for the Rights Shares. In addition, the free Warrants will provide the Entitled Shareholders with an opportunity to increase their equity participation in our Company at a pre-determined exercise price during the tenure of the Warrants.

The exercise of the Warrants in the future will allow our Company to obtain additional funds without incurring additional interest expenses from borrowings. Furthermore, should our Company increase its borrowings in the future, the Warrants, as and when exercised, will increase shareholders' funds and lower our Company's gearing, thereby providing our Company with flexibility in terms of the options available to meet its funding requirements.

The Original Proposed Rights Issue with Warrants was announced on 22 May 2020 to raise a minimum gross proceeds of RM130.00 million under the Original Proposed Rights Issue with Warrants to finance the Subscription and estimated expenses for the fundraising exercise, without any proceeds being allocated for other funding requirements of our Group such as partial repayment of borrowings, preliminary expenses in relation to venture into new construction projects in Vietnam and working capital requirements.

Whilst the COVID-19 pandemic has affected our Group's operations especially during the MCO period, a maximum gross proceeds of RM160.92 million was proposed to be raised from the Original Proposed Rights Issue with Warrants to finance the other purposes as mentioned above after taking into consideration the expected improvement in our Group's business activities in view of the gradual resumption of our Group's operations during the CMCO period which came into effect on 4 May 2020 and ended on 9 June 2020.

Notwithstanding the above, our Group still encountered challenges in its operations after it gradually resumed operations during the CMCO period and had been operating at reduced capacity during the said period, as set out in Section 7.6 of this Abridged Prospectus.

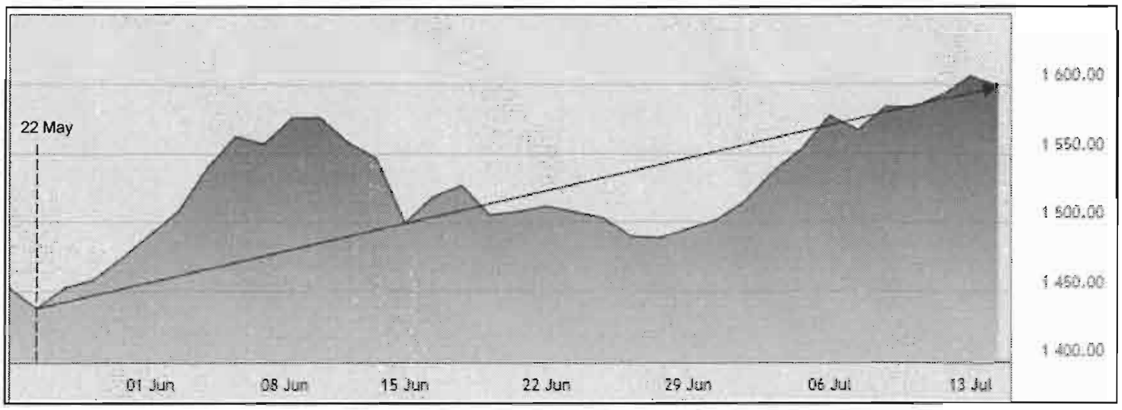
Premised on the above and after taking into consideration the following rationale for the Revisions, our Board has resolved to undertake the Revisions which was announced on 13 July 2020:-

i. in view of the improved equity market conditions subsequent to the announcement in relation to the Original Proposed Rights Issue with Warrants made on 22 May 2020, our Group intends to reduce the reliance on internally-generated funds and bank borrowings, thereby allowing our Group to ease its cash flow and/ or working capital requirements to finance its existing business and on-going project needs.

   Our Group recorded negative operating cash flow of approximately RM27.01 million based on the latest unaudited quarterly results for the 6-month period ended 30 June 2020. Our Group recorded a net cash used in operating activities of RM27.01 million in the 6-month FPE 30 June 2020 mainly due to the loss before taxation of RM25.22 million in the 6-month FPE 30 June 2020 as well as higher amount due from customers for contracts works amounting to RM99.17 million as at the end of the said period. Please refer to Section 5 of Appendix II of this Abridged Prospectus for further information on the historical financial information of our Group.

   By conserving cash flow and strengthening our Group's financial position, our Group may in turn redeploy available capital in a timely opportunity to maximise return on investments or assets, such as to fund the on-going projects and/ or to undertake new viable projects, as means to improve its overall financial performance and growth prospect in the future.

The chart below illustrates the movement of the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) since 22 May 2020 (1,436.76 points) to 13 July 2020 (1,606.43 points), which recorded an improvement of 169.67 points or 11.81%:-



(Source: www.bursamalaysia.com)

ii. the revised Minimum Subscription Level of RM200.00 million will allow our Group to raise higher minimum gross proceeds from the Rights Issue with Warrants compared to the original Minimum Subscription Level of RM130.00 million to meet our Group's revised funding requirements as set out in Section 4 of this Abridged Prospectus. This includes raising the required funds for future business projects or investments, which will allow our Group to capitalise on suitable and viable business projects or investment opportunities as and when it arises, which may in turn generate positive returns to our Group, thereby increasing shareholders' value; and

iii. the Revisions will allow the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable), to subscribe for more JRB Shares under the Rights Issue with Warrants pursuant to the revised maximum gross proceeds of RM289.64 million to be raised from the Rights Issue with Warrants.

Our Board believes that it is an opportune time for our Company to raise additional funds for the purposes set out in Section 4 of this Abridged Prospectus in view of the improved equity market condition as mentioned above. In addition, the attractive issue price of the Rights Shares which has been fixed at a discount of 55.10% to the TERP of JRB Shares provides an opportunity and encouragement to the shareholders of our Company to increase their equity participation in our Company.

6. RISK FACTORS

In addition to other information contained elsewhere in this Abridged Prospectus, you and/ or your renouncees and/ or your transferees (if applicable) should carefully consider the following risk factors which may have an impact on the future performance of our Group before subscribing for or investing in the Rights Issue with Warrants.

6.1 Risks relating to our Group

6.1.1 Sustainability of order book

Our Group's revenue for the construction segment is largely dependent on the sustainability of our order book, which is in turn affected by the business and economic conditions of the countries in which we operate as well as our Group's ability to tender for construction projects by competing against other competitors in terms of pricing, timely delivery and quality.

As at the LPD, our Group has an outstanding order book of approximately RM277.17 million for its local construction projects and USD17.22 million (equivalent to approximately RM71.46 million) for the EPC Contract in Vietnam, which is expected to be realised over the next 2 years. Depending on the business and economic environment, customers may cancel or delay their projects, which in turn, could jeopardise our Group's revenue.

In addition, there is no assurance that our Group will be able to consistently success in bidding competitively for construction projects moving forward or that our Group will not suffer erosion in profit margins in order to maintain competitive pricing for our tender bids.

6.1.2 Risks associated with joint venture(s) ("JV(s)")

Our Group has always sought to exercise due care and proactively nurture cooperative and close working relationships with our partners and shareholders as part of the commitment to ensure the success of JVs entered into. In particular, the Project, one of our major projects with an estimated total cost of USD1,868.50 million, is undertaken via a JV with CPECC which is funded via combination of debt and equity capital. As at the LPD, our equity commitment incurred for the Joint Venture amounted to approximately USD103.00 million. Further details of the Joint Venture are set out in Note (1) of Section 4 of this Abridged Prospectus.

Disputes may occur between our Group and the JV partner regarding the business and operations of the JV, which may not be resolved amicably. In addition, our JV partner may, amongst others:-

i. have economic or business interests or goals that are not aligned with our Group;

ii. take actions contrary to our instructions, requests, policies or objectives;

iii. be unable or unwilling to fulfil their contractual obligations;

iv. experience financial difficulties or a decline in creditworthiness; or

v. have disputes with our Group as to the scope of responsibilities and obligations.

The occurrence of any of these events may materially and adversely affect the performance of our JV entities, which may in turn materially affect the business, financial conditions, results of operations and prospects of our Group. Further, although the terms and conditions of JVs are regulated by JV agreements, the JV partners may discontinue the partnership with our Group or be unable to complete their committed developments under the partnerships or that disputes which will materially and adversely affect our relationships with the JV partners, JV businesses and/ or our Group's financial position.

6.1.3 Project risks

Our Company is subjected to project risks for its ongoing constructions project, which includes the EPC Contract and the construction of the Power Plant. As at 30 September 2020, approximately 95.70% of the overall construction works at the Power Plant site have been completed, with full project completion expected by the first quarter of 2021. Our ongoing projects may be subject to risks due to project complexities which may include cost overruns and project delays. Due to the complexities, there can be no assurance that the construction and operation of the Power Plant will materialise as intended or completed within the expected time frame.

Further, the progress of the Project is also subject to, amongst others, the following factors:-

i. availability of labour and subcontractors, as well as work permit and visa restrictions and regulations. Our operations may be adversely affected in the event that we are unable to obtain sufficient labour, subcontract construction works to reliable third-party contractors, or obtain the necessary work permits and visas;

ii. availability, limitations and control on our import of building materials and equipment;

iii. on-site safety and compliance regulations. As we are required to comply with the necessary regulations relating to our on-side construction work, any non-compliance on our part may disrupt our operations; and

iv. interest expense on our borrowings for the Project.

As at the LPD, our Group has not recorded any cost overruns and delays for the construction of the Power Plant. As our Group expects delays in completing our local ongoing construction projects, our Group has applied and been granted extensions of time for the said projects. In addition, our Group has incurred some additional costs to comply with the new working standard operating procedures (SOPs) as required by the Government in view of the COVID-19 outbreak which include, amongst others, mandatory COVID-19 testing for all staffs and construction workers. The financial impact due to the above is not material to the financial performance of our Group.

6.1.4 Dependency on the revenue derived from the Project

Pursuant to the construction of the Power Plant, Golden Keen was awarded the EPC Contract worth USD454.50 million (equivalent to approximately RM1,886.18 million). The EPC Contract was awarded by JHDP, an overseas joint-venture entered into between JPH and CPECC. Due to the intensive capital commitment and long gestation period of the Project, the EPC Contract enables our Group to realise returns and generate revenue from the power plant investment, prior to the commencement of operations of the Power Plant and income from the power concession of 25 years.

The EPC Contract has been our major revenue contributor since the FYE 31 December 2016. Revenue generated from the construction works carried out from the EPC Contract contributed approximately 77.74%, 49.34% and 67.17% to our Group's total revenue for the FYE 31 December 2018, FYE 31 December 2019 and unaudited 6-month FPE 30 June 2020, respectively.

As such, any adverse developments to our EPC contract may negatively impact our operating and financial performance. These developments may include, but not limited to the following:-

a) Dispute with JHDP or any non-fulfillment of the terms set out in the EPC Contract by either party may also lead to the termination of the EPC Contract or cause delays/ disruptions in the construction of the Power Plant, and may result in our Group recording loss given that our profitability is highly depended on the progress of our EPC Contract. As at the LPD, our Group has not experienced any dispute with JHDP or any non-fulfillment of the terms set out in the EPC Contract which may lead to the termination of the EPC Contract or cause delays/ disruptions in the construction of the Power Plant; and

b) We may be required to incur additional costs, such as interest expense from bank borrowings, in order to fund our costs for the EPC Contract in the event of delayed or deferred payment from the project owner, JHDP, for the completed works under the EPC Contract. Such additional expenses, if any, will negatively impact our financial performance.

The EPC Contract is expected to be completed upon the completion of the construction of the Power Plant by the first quarter of 2021.

6.1.5 Our property investment division has been operating at a loss since the FYE 31 December 2016

Our property investment segment has been operating at a loss since FYE 31 December 2016 as well as the 6-month FPE 30 June 2020. The losses were mainly attributable to high operating expenses, depreciation charges and financing expenses incurred for our Evolve Concept Mall (since FYE 31 December 2016) and Pacific Star Business Hub (since FYE 31 December 2019 as the construction of the Pacific Star Business Hub was completed in 2019).

Whilst our Group has taken various steps and is consistently exploring various options to improve the occupancy rate and rental yield of Evolve Concept Mall, there is no assurance that these will be able to lead to a turnaround in the financial performance of our property investment segment. As at the LPD, approximately 81% of the NLA has been rented or occupied.

As at the LPD, approximately 60% of the NLA of the Pacific Star Business Hub has been rented or occupied. Notwithstanding that our Group is currently in negotiations with prospective tenants for the renting or leasing of the remaining NLA of the Pacific Star Business Hub, there is no assurance that these efforts will be able to result in improved occupancy rate at the Pacific Star Business Hub.

6.1.6 Business and operational risks

Our financial performance is largely dependent on the performance of the general economy and construction sector in Malaysia and the power industry in Vietnam. Any material developments affecting those markets such as changes in demographic trends, increase in cost of operations, business and credit conditions, employment and income level, economic uncertainties, changes in government policies, the deterioration in demand for consumer spending, property rental market and construction activities may have an impact on our business operations and financial performance.

6.1.7 Availability and cost of construction and building materials, equipment and skilled labour

Our Group's profitability may be affected by fluctuation in the cost of construction and building materials, equipment and skilled labour. In the event we are unable to secure alternative supply of contractors, building materials, equipment and skilled labour at an acceptable rate, the cost of our projects may increase. This would in turn affect our profitability if we are unable to successfully pass on the additional cost to our customers. The inability of third party suppliers to supply sufficient building materials and equipment may inevitably disrupt the progress and/ or quality of our Group's operations and may have an adverse effect on our financial performance.

Our Group also employs a large number of skilled and unskilled labour. As such, any increase in the cost of labour or the shortage of skilled or unskilled labour may delay or disrupt our Group's operations. This may have an adverse effect on our profitability. As at the LPD, our Group has not experienced any shortage of labour which had caused delay or disrupted our Group's operations.

6.1.8 Dependency on subcontractors

Golden Keen was appointed as the sub-contractor for the EPC Contract pursuant to the Project. As such, the performance of the EPC Contract shall be the sole risk of the contractor, and Golden Keen shall be directly liable for any and all non-performance of the subcontracted part of the engineering, procurement and construction works. In this regard, the timely completion of the engineering, procurement and construction works in accordance with the contractual timeline is dependent on the performance of the subcontractors. Any unanticipated delay due to shortage of supplies or labour, equipment and materials and unsatisfactory performance of the appointed subcontractors may have an adverse effect on our business, operations and financial performance. Further, under the EPC Contract, we shall be responsible for the acts of defaults of any subcontractors, as if they were acts or defaults by us.

As at the LPD, our Group has not experienced any act of defaults from our subcontractors during the tenure of the EPC Contract.

6.1.9 Foreign exchange rate fluctuations

Our Group has investments which are exposed to currencies other than RM such as VND and USD. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies give rise to foreign exchange exposure.

The impact of foreign currency risk is mostly limited to the share of profit and losses in our investments in foreign operations and also natural hedge where revenue and risk are denominated in the same currency, particularly for our overseas projects.

6.1.10 Risks relating to our Group's material litigation, claim or arbitration

We may be involved from time to time in disputes with various parties such as main contractors/ subcontractors, suppliers, purchasers as well as our customers. These disputes may lead to legal and other proceedings, and may cause us to suffer additional cost and delays.

As at the LPD, we are involved in 2 material litigation cases as set out in Section 9 of Appendix II of this Abridged Prospectus. Any cost to be incurred arising from the abovementioned litigation cases may result in an adverse financial impact on our Group.

6.1.11 Dependency on key management

The performance and success of our Group's business and operations are dependent, amongst others, on the skills, abilities, experience, competencies and on-going efforts of our Group's key management and personnel. The loss of and failure to recruit suitable candidates to timely replace any such key management or personnel may adversely affect our Group's business and operations.

Our Group's success also depends on our ability to hire, train and retain qualified and competent personnel. The process of identifying personnel with the combination of skills and attributes required to carry out our Group's strategies and business direction can be difficult, time consuming and expensive.

Our Group's business and financial performance may be materially affected in the event we are unable to successfully retain our key management and personnel, or recruit suitable candidates to replace any such key management or personnel in the future.

6.1.12 Political and economic considerations

Any adverse developments in the political, economic and regulatory conditions in Malaysia and Vietnam could materially affect the financial prospects of our Group. This may include, but are not limited to, changes in the respective government's monetary and fiscal policies, method of taxation and licensing regulations, changes in labour law and other regulatory changes that may affect all players in the construction, property development and power industries. These factors are generally beyond our Group's control.

Political or regulatory changes may result in cancellation or deferment of certain projects, which in turn may result in the cancellation or delay in awarding our Group of existing and/ or future projects. Changes in interest rates or taxes may impact our Group's business, financial conditions, results of operations and prospects. Other adverse political situations, including but not limited to, risks of wars/ trade wars and terrorism may also affect the financial performance of our Group.

6.1.13 Changes in laws, regulations or policies of governments

Our Group's operations are governed by the laws, regulations and government policies in the countries we operate, namely Malaysia and Vietnam. Any economic downturn, changes in policies in these countries, fluctuations in currency and interest rates, changes in capital controls or capita restrictions, labour laws, changes in environmental laws and regulations, duties, accounting policies, taxation policies and limitations on imports and exports, which are beyond our Group's control, could materially affect the business operations of our Group.

6.2 Risks relating to the global outbreak of COVID-19 pandemic

COVID-19, a contagious disease, was first detected in late 2019 and has since spread around the world with the World Health Organization declaring the disease a pandemic on 11 March 2020. COVID-19 has resulted in, amongst others, a reduction in economic activities due to restrictions on travel, social, business and other activities as well as movement restrictions implemented by some governments to reduce the spread of the disease.

To contain the spread of COVID-19 within Malaysia, the Government implemented the MCO between 18 March 2020 and 3 May 2020. The MCO included, amongst others, closure of all Government operations and private businesses except for essential goods and services, and all restrictions on domestic and international travels. The Government subsequently implemented the CMCO from 4 May 2020 to 9 June 2020 with the relaxation of certain MCO restrictions, including permitting most economic sectors to reopen, so long as specified guidelines and standard operating procedures are followed and large gatherings are avoided. The CMCO was replaced with the recovery MCO effective from 10 June 2020 till 31 August 2020. The recovery MCO provides further relaxation of economic, social and travel restrictions but not international travels. The recovery MCO was later extended till 31 December 2020. In addition, Kuala Lumpur, Selangor Darul Ehsan and Putrajaya have been placed under the CMCO from 14 October 2020 to 27 October 2020. There is a risk that the Government may implement increased restrictions in movement and economic and social activities in the future if the spread of COVID-19 continues or increases.

During the MCO imposed by the Government from 18 March 2020 to 3 May 2020 to contain the COVID-19 pandemic outbreak, our Group's construction works were halted until the Government introduced the CMCO. Upon obtaining the necessary approval from the Ministry of International Trade and Industry, our Group had gradually resumed its operations during the CMCO period. However, upon resumption of our construction works, our Group faced difficulties in contacting the relevant government bodies to obtain necessary approvals and/ or consent in relation to our construction works as the said government bodies have been operating at minimum capacity during the CMCO period. In view of the above, our Group had applied and been granted extensions of time as our Group expects delays in completing our on-going projects and as a result, there will be delays in recognising revenue for the construction works done for our Group's on-going projects.

Further to the above, our Group had also incurred higher costs to comply with the new working standard operating procedures (SOPs) as required by the Government in view of the COVID-19 pandemic outbreak, including, amongst others, mandatory COVID-19 tests for all staffs and construction workers. Barring any unforeseen circumstances, our Group expects its construction works to operate at full capacity in the coming quarters as the COVID-19 pandemic situation in Malaysia is expected to ease following the expected gradual resumption of business activities.

In Vietnam, in its effort to contain the outbreak of COVID-19, the Vietnamese Government imposed a nationwide isolation from 1 April 2020 to 15 April 2020 ("**Nationwide Isolation**"). During the Nationwide Isolation, the construction of the Power Plant continued with a limited number of manpower as most of our personnel, who are from the People's Republic of China ("**PRC**"), were unable to return to Vietnam from their Chinese New Year holidays in PRC as a result of the COVID-19 pandemic outbreak. However, since May 2020, most of the personnel from PRC have returned to Vietnam and resumed work. As at the LPD, the construction activities of the Power Plant have returned to full capacity.

In the event that COVID-19 pandemic prolongs and new movement control orders are implemented by the Government and/ or Vietnamese Government, our Board expects that the completion of our Group's construction projects in Malaysia and Vietnam will be further delayed, and this may adversely affect our business operations and financial performance.

6.3 Risk relating to the Rights Issue with Warrants

6.3.1 Investment and capital market risk

The market price of JRB Shares as traded on Bursa Securities is subject to fluctuation and will be influenced by, amongst others, the prevailing market sentiments, the liquidity of JRB Shares, the volatility of the equity markets, the outlook of the industry our Group is principally involved in as well as the corporate developments and future financial performance of our Group.

In addition, the performance of the local equity market (where JRB Shares are listed) is dependent on the economic and political conditions in Malaysia as well as external factors such as the performance of the world bourses and the investments by the foreigners in Malaysia.

In view of the above, there can be no assurance that the market prices of our Rights Shares and Warrants will be at a level that meets the investment objectives or targets of the subscribers of the Rights Shares with Warrants.

The Warrants are new instruments issued by our Company. Therefore, there can be no assurance that an active market for the Warrants will develop upon listing on Bursa Securities, or if developed, will be sustainable. In addition, there is no assurance that the Warrants will be "in-the-money" during the exercise period.

6.3.2 Failure or delay in the completion of the Rights Issue with Warrants

The Rights Issue with Warrants is exposed to the risk that it may be terminated or delayed on the occurrence of any material adverse change of events or circumstances (such as force majeure events including without limitation, acts of Government, natural disasters including without limitation the occurrence of a tsunami and/ or earthquakes, acts of terrorism, strikes, national disorder, declaration of a state of war or accidents, or any change in law, regulation, policy or ruling), which is beyond the control of our Company and Kenanga IB, arising prior to the completion of the Rights Issue with Warrants.

Our Company has procured the Undertaking from the Undertaking Shareholder to subscribe in full for its entitlement and Excess Rights Shares with Warrants. Our Company had also entered into the Underwriting Agreement with the Joint Underwriters pursuant to the Underwriting. The successful implementation of the Rights Issue with Warrants is dependent on the fulfilment by the Undertaking Shareholder and the Joint Underwriters of their obligation under the Undertaking and Underwriting, respectively.

However, there can be no assurance that the above-mentioned events will not occur and cause a failure or delay in the completion of the Rights Issue with Warrants.

Where prior to the issuance and allotment of the Rights Shares with Warrants to the successful Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable):-

i. in the event of failure in the completion of the Rights Issue with Warrants where the SC issues a stop order pursuant to Section 245(1) of the CMSA, all applications shall be deemed to be withdrawn and cancelled and our Company shall be liable to repay without interest all monies received in respect of the accepted application for the subscription of the Rights Shares with Warrants pursuant to the Rights Issue with Warrants and if such monies are not repaid within 14 days from the date of the stop order, we will repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC in accordance with Section 245(7)(a) of the CMSA; or

ii. in the event of failure in the completion of the Rights Issue with Warrants (other than pursuant to Section 245(1) of the CMSA), all application monies received pursuant to the Rights Issue with Warrants will be refunded to the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) who have subscribed for the Rights Shares with Warrants without interest.

In the event that the Rights Issue with Warrants is aborted or terminated, and the Rights Shares with Warrants have been allotted to the successful Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) and:-

i. the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our Rights Shares with Warrants shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if such monies are not repaid within 14 days from the date of the stop order, we will repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC in accordance with Section 245(7)(b) of the CMSA; or

ii. the Rights Issue with Warrants is subsequently cancelled or terminated for reasons other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, a return of monies to all holders of the Rights Shares with Warrants could only be achieved by way of cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya. There can be no assurance that such monies can be returned within a short period of time or at all in such circumstances.

6.3.3 Potential dilution

Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) who do not or are not able to accept their Provisional Allotments will have their proportionate ownership and voting interests in our Company reduced in the enlarged issued share capital of our Company. Consequently, their proportionate entitlement to any future distribution, rights and/ or allotment that our Company may declare, make or pay after the completion of the Rights Issue with Warrants will correspondingly be diluted.

7. INDUSTRY OVERVIEW AND PROSPECTS OF OUR GROUP

7.1 Overview and outlook of the Malaysian economy

The Malaysian economy was confronted by concurrent supply and demand shocks arising from weak external demand conditions and strict containment measures in the second quarter of 2020. As a result, the economy registered its first contraction since the Global Financial Crisis (second quarter 2020: -17.1%; third quarter 2009: -1.1%). On the supply side, this was reflected in negative growth across most sectors. From the expenditure side, domestic demand declined, while exports of goods and services registered a sharper contraction. On a quarter-on-quarter seasonally-adjusted basis, the economy declined by 16.5% (first quarter 2020: -2.0%).

Weak growth was recorded across most economic sectors amid the imposition of the MCO, followed by the Conditional and Recovery MCO, during the second quarter of 2020.

Economic activity in Malaysia contracted sharply in the first half of the year (-8.3%) as the measures introduced to contain the pandemic globally and domestically resulted in a concurrent supply and demand shock to the economy. However, growth is expected to have troughed in the second quarter of 2020. Economic activity has resumed significantly since the economy began to reopen in early May. Monthly indicators such as wholesale and retail trade, industrial production, electricity generation, and gross exports all grew faster in June than in the period between March and May.

The improvement in growth in second half of 2020 will also be supported by the recovery in global growth and continued policy support. In particular, consumption and investment activities are expected to benefit from the wide-range of measures in the fiscal stimulus packages, continued financial measures and low interest environment. While there is upside potential to growth, the pace and strength of the recovery remain susceptible to downside risks emanating from domestic and external factors. Growth could potentially be lifted by a larger-than-expected impact from stimulus measures. Nevertheless, the prospect of secondary COVID-19 outbreaks leading to the re-imposition of containment measures, more persistent weakness in labour market conditions, and a weaker-than-expected recovery in global growth pose downside risks to growth.

(Source: Economic and Financial Developments in the Malaysian Economy in the Second Quarter of 2020, Bank Negara Malaysia)

The Malaysian economy expanded by 4.3% in 2019, supported by resilient private sector spending. For 2020, the domestic economy will be impacted by the necessary global and domestic actions taken to contain the COVID-19 outbreak. Of significance, tourism-related sectors are expected to be affected by broad-based travel restrictions and travel risk aversion, while production disruptions in the global supply chain will weigh on the manufacturing sector and exports. The implementation and subsequent extension of the MCO, while critical, will dampen economic activity following the suspension of operations by non-essential service providers and lower operating capacity of manufacturing firms. Beyond the MCO period, reduced social and recreational activities until the pandemic is fully controlled globally and domestically will continue to dampen consumption and investment activity. Apart from the pandemic, the domestic economy will also be affected by the sharp decline and volatile shifts in crude oil prices and continued supply disruption in the commodities sector. Unfavourable weather conditions and maintenance works will weigh on the production of oil palm, crude oil and natural gas.

(Source: Economic and Monetary Review 2019, Bank Negara Malaysia)

The Malaysian economy is forecasted to grow within the range of -3.5% to -5.5% in 2020, before staging a rebound within a growth range of 5.5% to 8.0% in 2021.

(Source: Siaran Akhbar dated 14 August 2020: "Economic and Financial Developments in Malaysia in the Second Quarter of 2020", Bank Negara Malaysia)

7.2 Overview and outlook of the Vietnamese economy

GDP in 2019 achieved the growth rate of 7.02%, exceeding the 6.6-6.8% target set by the National Assembly of Vietnam. This year's growth rate was lower than the growth rate of 7.08% in 2018 but it was higher than the growth of the years 2011-2017. In the overall growth of the economy, the agriculture, forestry and fishing sector, the industry and construction sector, the services sector increased by 2.01%, 8.90% and 7.3% respectively with the corresponding shares of contribution to the overall growth of 4.6%, 50.4%, and 45%. From the expenditure approach of the GDP in 2019, the final consumption increased by 7.23% over 2018; the gross capital formation rose by 7.91%; the export of goods and services went up 6.71%; and the import of goods and services surged 8.35%.

(Source: Statistical Yearbook of Viet Nam 2019, General Statistics Office of Vietnam)

GDP in the first 6 months of 2020 was estimated to increase by 1.81% over the same period last year, the lowest 6-month growth rate in the period of 2011-2020 (the second quarter of 2020 recorded the estimated rise of 0.36%). In the 1.81% growth rate of the whole economy in the first half of 2020, the sector of agriculture, forestry and fishery expanded by 1.19%, contributing 11.89% to the overall growth; the sector of industry and construction rose by 2.98%, contributing 73.14%; and the service sector climbed by 0.57%, contributing 14.97%. The driving force of economic growth in the first 6 months of the year was the manufacturing with an increase of 4.96% and the market services (Wholesale and retail saw a rise of 4.3%; financial, banking and insurance activities showed an expansion of 6.78%).

(Source: General Statistics Office of Vietnam, Article entitled: "Socio-economic situation in the second quarter and the first 6 beginning months of 2020")

7.3 Overview and prospects of construction sector in Malaysia

Growth in the construction sector moderated to 0.1% in 2019 (2018: 4.2%), reflecting mainly the completion and near completion of large infrastructure and mixed development projects. In the non-residential and residential subsectors, fewer and smaller new projects amid the commercial property glut and elevated level of unsold residential properties also contributed to the lower growth. While the civil engineering subsector remained the key contributor to growth, the delay in construction work for major highways, in addition to the completion of large petrochemical projects, led to a moderation in construction growth during the year.

(Source: Economic and Monetary Review 2019, Bank Negara Malaysia)

Activity in the construction sector declined by 44.5% in the second quarter of 2020 (first quarter of 2020: -7.9%), as almost all activities came to a standstill particularly in the month of April. Despite the partial reopening of the economy on 4 May, most construction sites faced challenges restarting due to adjustments required to comply with the strict COVID-19 Standard Operating Procedures ("**SOPs**"). Most of the construction sites were reported to remain idle as developers faced challenges to restart, including financial constraints, initial lack of clarity over the SOPs and COVID-19 testing, and disruptions in the supply of construction materials. However, the situation improved significantly towards the end of the quarter after the Government of Malaysia ("**Government**") implemented additional measures to facilitate the revival of the economy.

(Source: Economic and Financial Developments in the Malaysian Economy in the Second Quarter of 2020, Bank Negara Malaysia)

Real GDP for the construction sector in Malaysia is forecasted to grow by 3.7% in 2020.

(Source: Economic Outlook 2020, Ministry of Finance Malaysia)

7.4 Overview and prospects of power sector in Malaysia

While economic interests led to the establishment of power plants, its benefits were felt by all cross sections of the population. Electrification, especially rural electrification, became a social cause in the post-independence years.

Meanwhile, Central Electricity Board (CEB), renamed National Electricity Board ("**NEB**") after independence, began to feel the heavy financial burden of being the sole power generation entity. As a result, the Government announced the privatisation of power generation in 1988. This saw the emergence of independent power producers.

There are now 14 independent power generation companies (including NEB that became Tenaga Nasional Berhad (TNB) after being public listed), who are all regulated by the Energy Commission to ensure safe, secure and affordable power supply in the country. The industry has been described as world class by many energy authorities.

From the beginning, Malaysia has followed global trends in terms of fuel mix. The early power plants used water power, followed by coal, then oil & gas, and now the focus is on renewable energy sources. The national 5-fuel policy means that the country cannot become overdependent on any single fuel source. Currently, coal dominates the fuel mix, followed closely by gas. And there is pressure to use more renewable energy for generation to realise Malaysia's 21st Conference of Parties (COP21) Nationally Determined Target for a 45% reduction in carbon emissions by 2030.

Since 2018, the government policy is for a fuel mix with 20% renewable energy by 2025. The focus is on solar energy, to be generated by large scale solar farms while domestic and commercial consumers are being incentivised to install rooftop solar energy installations and become consumers and producers of energy at the same time.

Other renewable energy ("**RE**") sources include hydro, wind, biomass, and biogas.

Beyond 2050, although Malaysia will still be relying on coal and natural gas for power generation, RE is expected to play a bigger role in the mix.

As at mid-2019, Malaysia has 69 power plants – 8 coal fired/combined gas coal plants, 20 hydroelectric dams, 22 gas fired plants, 5 oil-fired plants, nine biomass plants and five large scale solar farms. There are also several small-scale hybrid power stations using diesel generators, solar panels and wind turbines on the islands off the East Coast of Peninsular Malaysia.

Under construction now are two more hydroelectric plants in Hulu Terengganu and Ulu Jelai, Pahang, and a co-generation plant in Pengerang, Johor.

The 2016 Paris Agreement is shaping power generation around the world. Malaysia, which pledged to reduce carbon emissions by 45% by 2030, is rapidly rolling out large scale solar farms to meet the national target for 20% RE by 2025 in the generation mix. While Malaysia ramps up with RE generation, coal and gas fired plants will continue to play an important role in power production to meet domestic demand.

(Source: Energy Malaysia Volume 19 2019, Energy Commission Malaysia)

The Hybrid Load Forecasting Model predicts that the industry sector will continue to be the major energy consumer (40%) followed by the commercial (35%) and domestic (22%) sectors. It also forecasts that the electrification of the automotive industry will cause a spike in electricity consumption. According to a 2016 McKinsey study, the electric vehicle penetration rate is expected to grow from 0.1% in 2015 to 7.5% in 2035. In the commercial and domestic sector, most of the energy is consumed by air conditioning systems. With various energy efficiency (EE) initiatives across all consumer segments, it is assumed that there will be an overall 8.8% savings over 10 years time.

In addition, the model takes into account of Government policies and market trends. It has integrated the Government's 20% by 2025 RE target into the capacity mix, and estimates a large scale solar ("**LSS**") capacity of 200MW between 2021 and 2026. Meanwhile, NEM capacity is set to grow 100MW annually until 2020; with a 1% annual growth in solar self-generation and consumption that will address gaps in RE capacity

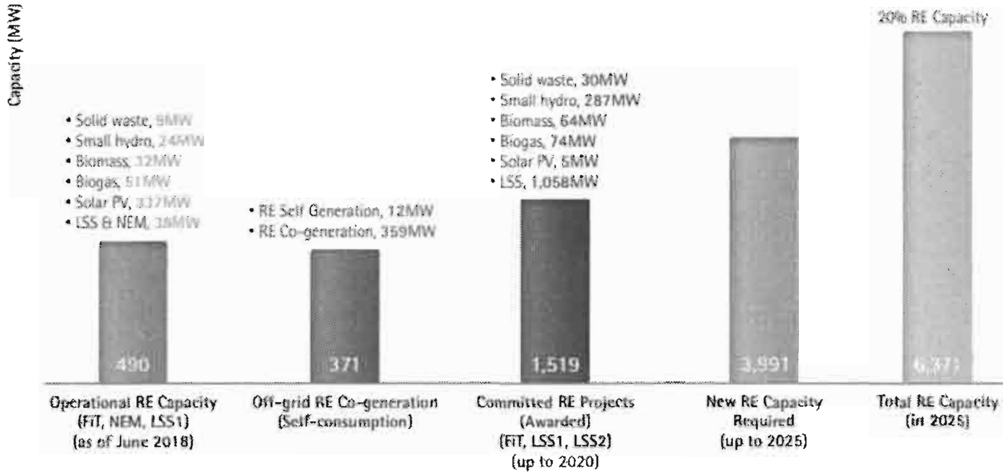
Renewable energy

RE generation in Peninsular Malaysia covers solid waste, small hydro, biomass, biogas, geothermal and solar. Large hydro plants with the capacity of more than 100MW are not considered as RE.

The 20% RE target by 2025 focuses on increasing solar energy generation capacity, and along the way create new business opportunities for big companies, small medium enterprises (SMEs), microbusinesses and households.

RE Generation Targets

RE Capacity (MW) for Peninsular Malaysia



The above diagram shows the targeted RE capacity to be achieved by 2025 based on a preliminary analysis by the Commission, Sustainable Energy Development Authority ("**SEDA**") and the Single Buyer (SB). The final targets will be published in the Renewable Energy Transition Roadmap ("**RETR**") prepared by SEDA. As of 2018, RE capacity stood at 490MW, generated by LSS farms; Net Energy Metering ("**NEM**") and Feed-in Tariff ("**FiT**") developers. There was also a 371MW off-grid capacity from co-generation plants and self-generation. RE capacity must be ramped up to 6,371MW to deliver the 20% target by 2025. This plan is reviewed periodically, subject to changes in demand forecast, generation requirement, completion of committed projects and government policies.

By 2020, with a committed RE capacity of 1,519MW, Peninsular Malaysia will have nearly 40% RE in operation, with the bulk of capacity coming from LSS. The analysis also took into consideration the solar penetration limit to the grid without jeopardising the system's stability and security

The Energy Commission Malaysia's LSS programme, which covers the period of 2017 to 2020, with the aim to accelerate Malaysia's RE production capacity, was approved by the Planning and Implementation Committee of Electricity Supply and Tariff (JPPPET).

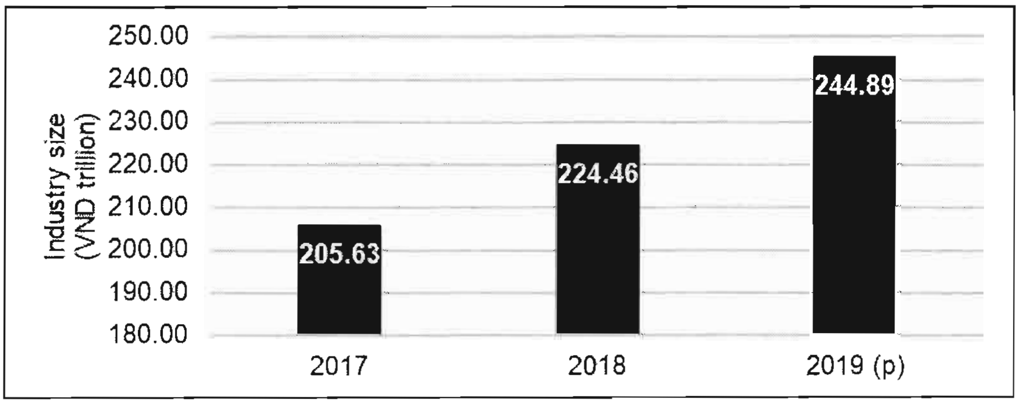
Total capacity allocated for this programme is 1,000MW by 2020, with annual capacity capped at 250MW throughout the 4-year period. The staggered inclusion of LSS into the system allows the Commission to monitor LSS' technical performance and market impact.

(Source: Peninsular Malaysia Energy Electric Supply Industry Outlook 2019, Energy Commission Malaysia)

7.5 Overview and prospects of construction sector in Vietnam

The performance of the construction industry in Vietnam, measured by the GDP from the construction sector, increased from VND205.63 trillion (RM38.93 billion) in 2017 to VND244.89 trillion (RM43.66 billion) in 2019 at a compound annual growth rate ("**CAGR**") of 9.13%. Over the same period, contribution of the construction sector to Vietnam's overall GDP increased from 6.31% to 6.55%.

Construction industry (Vietnam), 2017- 2019 (p)



Note:-

(p) Preliminary

In view of the outbreak of the COVID-19 since early 2020, the government of Vietnam has imposed several lockdown measures such as closure of country borders, movement restrictions, temporary suspension of non-essential businesses as well as festivals, religious events and sport events in certain areas of Vietnam to curb the spread of the virus. As such, this has led to temporary disruptions in business operations especially those producing and providing non-essential goods and services, resulting in an economic slowdown in 2020.

Despite the adverse impact to many businesses as a result of the imposition of lockdown measures, the construction industry in Vietnam has demonstrated positive performance which may be due to the government of Vietnam's emphasis on developing public infrastructure to stimulate its economic growth. As the construction sector is expected to continue to be driven mainly by public infrastructure development, Smith Zander forecasts the GDP from the construction sector to increase by 4.78% from VND244.89 trillion (RM43.66 billion) in 2019 to VND256.60 trillion (RM46.68 billion) in 2020.

Moving forward, the growth of the construction industry in Vietnam is expected to continue to be driven by the following drivers:-

► **Plans and policies by the government of Vietnam to promote infrastructure development will spur the growth of the construction industry**

As infrastructure development typically involves large-scale construction activities, the government of Vietnam's initiatives and plans to improve the country's regional connectivity through infrastructure development are expected to benefit the construction industry.

Under the Vietnam's Five-Year Socio-economic Development Plan (2016-2020) which was launched in 2016, the government of Vietnam has set out various key duties and solutions for infrastructure development which will bode well for the construction industry, including the following:-

- Gradual establishment of urban network featuring synchronous, modern and environmentally friendly infrastructure, especially in large urban areas;
- Continuous development of the North-South road system, highways and railways;
- Continuous upgrade of existing railways as well as inland and intra-coastal waterways; and

- Priority in investment for the development of transportation infrastructure in disadvantaged areas.

Further, Vietnam's rapid pace of economic development has led to an increasing need for the government of Vietnam to invest in infrastructure development. On 18 June 2020, the National Assembly of Vietnam convened and passed a new law on Public-Private Partnership ("**PPP**") investment. Effective 1 January 2021, the new PPP law aims to attract private investment for the country's infrastructure development.

The new PPP law stipulates investment priorities in five sectors, namely transportation, grid infrastructure, water management, healthcare and education as well as information technology infrastructure. One of the articles stipulated in the new PPP law that will attract private investment is the risk-sharing mechanism with the government of Vietnam. Given that certain conditions are met, if a PPP project's revenue reaches less than 75.00% of the revenue stated in the project's financial plan, the private investors shall receive 50.00% of the difference between the actual revenue and 75.00% of the committed revenue in the project's financial plan from the government of Vietnam as indemnification.

With a clearer and more comprehensive risk-sharing mechanism in place, the new PPP law is expected to attract private investors to invest in infrastructure development projects in Vietnam. An increase in private investment for infrastructure development will also reduce the government of Vietnam's burden of financing for the country's infrastructure development, thus giving impetus to a rise in infrastructure development projects with the aim to boost the country's economic growth. Consequently, the construction industry is expected to enjoy the spill-over effects from the implementation of infrastructure projects which require large-scale construction activities.

► **Availability of investments, including foreign direct investments, drives overall economic growth and subsequently, demand for construction services**

Foreign direct investment plays an integral part of Vietnam's economy which has contributed significantly to the country's economic growth. As from 1 January 2020 to 20 September 2020, Vietnam has attracted a total of 1,947 new licensed projects with a newly registered capital of USD10.36 billion (RM43.84 billion)* in foreign direct investment. In addition, of the total foreign direct investment received from 1 January 2020 to 20 September 2020, the construction sector attracted newly registered capital of USD47.89 million (RM202.68 million)*.

Business expansions and/or investments in Vietnam are expected to contribute to the growth of Vietnam's overall economy. The increased investments in the country may result in increased investments in business facilities, which will subsequently drive the demand for construction services.

Note:-

* Exchange rate from USD to RM in 2020 was converted based on average exchange rates from 2 January 2020 to 8 October 2020 extracted from published information from Bank Negara Malaysia at USD1 = RM4.2321.

► **Increasing disposable income and affluence of the population signifies growth opportunities of the property market, resulting in an increased demand for construction activities**

From 2017 to 2019, Vietnam's GDP per capita increased from VND34.60 million (RM6,549.78) to VND38.75 million (RM6,909.13) at a CAGR of 5.83%, indicating a growing disposable income and a more affluent population that has greater purchasing power. The increasing disposable income of Vietnam's population has a positive correlation to the demand for properties, signifying a potential increase in the demand for construction activities.

Further, in an effort to reduce the financial burden and increase disposable income of the country's population, the government of Vietnam has issued a resolution, effective 1 July 2020, to adjust the personal income tax exemptions whereby:-

- Monthly personal income tax exemption for individual taxpayers increased from VND9.00 million to VND11.00 million; and
- Monthly personal income tax exemption for each family dependent being claimed increased from VND3.60 million to VND4.40 million.

The growth opportunities for the property segment in Vietnam are underscored by the population's purchasing power and the government of Vietnam's interventions via economic plans, policies and stimulus. As the construction industry grows in tandem with the demand for properties, an increase in the demand for properties will thus drive the demand for construction activities.

However, in the short term, demand for properties is expected to decline as people may be more cautious in their spending in view of the anticipated adverse economic impact of the COVID-19 which may lead to loss of businesses and jobs, pay cuts or increase in unemployment. A decrease in the demand for properties signifies a lower demand for the construction of properties which may result in a slowdown in the construction industry, particularly the construction of properties in the short term.

Nevertheless, in the long term, the construction industry is expected to continue growing, driven by the increasing demand for properties as a result of growing disposable income of the population.

► **Growing population and rising urbanisation drive housing demand and infrastructure development, leading to demand for construction activities**

One of the key factors that drives the demand for construction activities is the demand for housing and infrastructure development arising from the growth in population and rising urbanisation. Between 2017 and 2019, Vietnam's average population grew from 94.29 million to 96.48 million at a CAGR of 1.15%. Further, Vietnam has experienced rising urbanisation rates in which its urban population as a percentage of total average population increased from 33.86% in 2017 to 35.05% in 2019. According to Vietnam's Five-Year Socio-economic Development Plan (2016-2020), the country's urbanisation rate is expected to reach the range of 38.00% to 40.00% in 2020.

The increase in the overall population has led to an increasing demand for housing. Further, the shift of population from rural to urban areas to seek better employment opportunities has led to a growing population in urban areas, resulting in an increase in the demand for housing in urban areas as well as infrastructure development such as roads, highways and railways to improve accessibility and connectivity. As such, the demand for construction activities in Vietnam is expected to continue to experience growth in tandem with the growing population and rising urbanisation in the country.

Premised on the above, despite the disruptions and adverse impact to many economic sectors as a result of the COVID-19 pandemic and the imposition of lockdown measures, the prospects for growth in the construction industry in Vietnam are positive based on the key drivers of the industry which stimulates continuous demand for construction activities.

(Source: Independent market research report dated 9 October 2020 prepared by Smith Zander)

7.6 Overview and prospects of the power sector in Vietnam

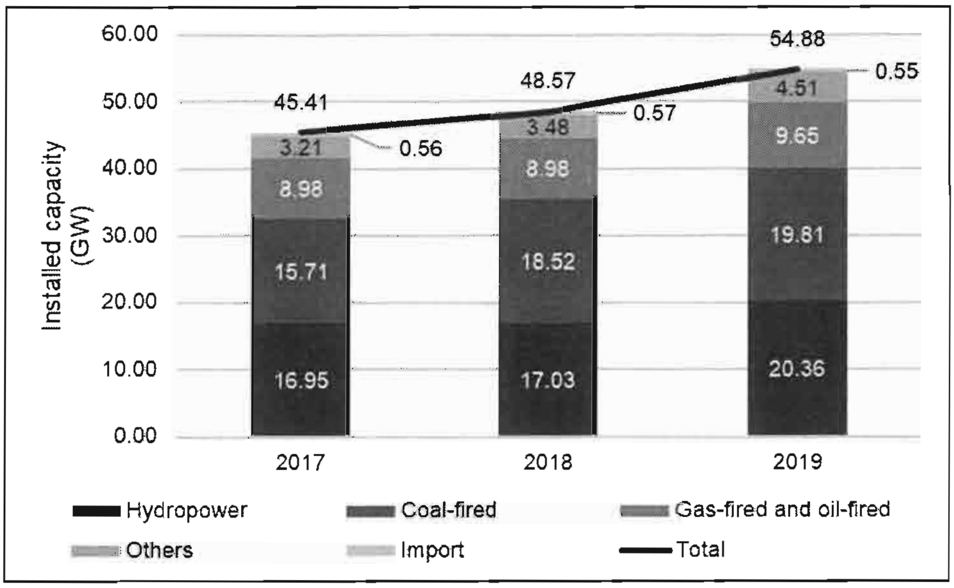
Fuel is a key raw material in the generation of electricity. Vietnam primarily utilises coal and hydropower for the generation of electricity. Other sources of fuel supply include natural gas, oil, small hydropower, wind, solar and biomass.

A reliable and stable electricity supply is imperative for emerging markets such as Vietnam. Based on latest available information, Vietnam has gone through a rapid increase in electrification whereby communes and rural households have achieved electrification rates of 100.00% and 99.05% respectively in 2018.

The industry size of the power industry in Vietnam is represented by the total installed capacity of the country's power system. Total installed capacity of the country's power system increased from 45.41 gigawatts ("**GW**") in 2017 to 54.88 GW in 2019 at a CAGR of 9.93%. Vietnam is heavily dependent on hydro, coal-fired as well as gas-fired and oil-fired power plants for power generation, which respectively accounted for 37.10%, 36.10% and 17.58% of the total installed capacity in 2019.

According to the Revised National Power Development Master Plan for the 2011 to 2020 Period with the Vision to 2030, the total installed capacity of the country's power system is expected to reach about 60.00 GW in 2020, of which approximately 30.10% will be contributed by hydropower, approximately 42.70% will be contributed by coal-fired power, 14.90% will be contributed by gas-fired power (including liquefied natural gas ("**LNG**")), and 9.90% will be contributed by renewable sources which include small hydropower, wind, solar and biomass, as well as 2.40% will be contributed by imported power.

Power industry (Vietnam), 2017 – 2019



Notes:-

- Others include but are not limited to, renewable sources such as small hydropower, wind, solar and biomass.
- Figures may not necessarily add up due to rounding.

The electricity supply in Vietnam is influenced by the nation's economic activity as any changes to the country's economic conditions may affect businesses and/or investors' financial security and ability as well as confidence to invest in local power generation projects which may consequently boost or dampen the power industry in Vietnam. The economic impact of the COVID-19 pandemic may adversely affect the financial positions of businesses and/or investors which may result in budget constraints and putting power generation projects on hold. Subsequently, this may temporarily affect the development of new power plants due to its high cost of investment, which may consequently lead to a slowdown in the power industry. Further, in view of the COVID-19 pandemic, lockdown measures that have been put in place by the government of Vietnam may also hinder the progress of power generation projects, thus affecting the power industry in Vietnam.

Nevertheless, moving forward in the long term, the growth of the power industry in Vietnam is expected to continue to be driven by the following drivers:-

► **Economic growth and improving living standards drive demand for electricity**

Electricity underpins a wide range of products and services that improve the quality of life, increases productivity and promotes entrepreneurial activity. Thus, electricity consumption is positively and highly correlated with the economic condition of a country.

Over the period of 2017 to 2019, Vietnam's GDP grew from VND3.26 quadrillion (RM617.12 billion) to VND3.74 quadrillion (RM666.84 billion) at a CAGR of 7.11%, indicating positive economic growth as a result of increasing economic productivity, progressive urbanisation and globalisation trends. During the same period, Vietnam's GDP per capita increased from VND34.60 million (RM6,549.78) to VND38.75 million (RM6,909.13) at a CAGR of 5.83%, indicating growing disposable income which may lead to improving living standards among the population.

As a result of a growing economy and improving living standards in Vietnam, the demand for electricity, represented by the electricity consumption per capita increased from 1,698.00 kilowatt hours ("**kWh**") in 2016 to 1,985.40 kWh in 2018 at a CAGR of 8.13%. Smith Zander estimates Vietnam's electricity consumption per capita to reach 2,114.20 kWh in 2019 and 2,285.00 kWh in 2020.

However, the COVID-19 pandemic leading to the imposition of lockdown measures has caused a slowdown in Vietnam's economy. According to the government of Vietnam, the economy in Vietnam is targeted to slow down to a GDP growth of 2.00% to 2.50% in 2020, as compared to the GDP growth of 7.02% in 2019. This may also result in a decrease in electricity consumption in certain businesses, such as the tourism sector which is still struggling due to travel restrictions. Nonetheless, electricity consumption in Vietnam is expected to still see positive growth in 2020, supported by electricity demand from other economic sectors as well as households.

Moving forward, given the fact that electricity plays a key role in powering economic growth, the power industry in Vietnam is expected to experience growth in the coming years due to the increasing demand for electricity, as a direct result of economic growth and improving living standards within the country in the long-term.

► **Increasing consumption of electricity in the manufacturing sector and households drives the demand for power generation**

The demand for electricity in Vietnam is largely driven by the manufacturing sector as well as household use. Based on latest available information, Vietnam's electricity consumption in 2018 was mainly contributed by the manufacturing sector, followed by households whereby their electricity consumption was recorded at 88.95 terawatt hours ("**TWh**") and 62.25 TWh respectively. Further, the manufacturing sector and households collectively contributed 80.00% to total electricity consumption in Vietnam in 2018, and are expected to continue being the main contributors to the country's electricity consumption.

The growth in the manufacturing sector leads to the growth in electricity usage for the operation of machinery and equipment to produce goods. From 2017 to 2019, GDP from the manufacturing sector increased from VND566.60 trillion (RM107.26 billion) to VND712.45 trillion (RM127.03 billion) at a CAGR of 12.13%. Despite the outbreak of the COVID-19 since early 2020, Vietnam has experienced positive growth of 1.81% in its overall GDP in the first half of 2020. The manufacturing sector in Vietnam is expected to experience positive growth in 2020 leveraging on the country's economic growth along with the government of Vietnam's efforts to boost the country's exports. The government of Vietnam has entered into a European Union-Vietnam Free Trade Agreement, in which the European Union will eliminate 85.60% of tariff lines for goods imported from Vietnam immediately once the agreement comes into effect on 1 August 2020, and subsequently 99.20% of the tariff lines will be gradually eliminated within the next 7 years. Thus, this may boost Vietnam's exports which may subsequently result in positive growth in the manufacturing sector. Smith Zander forecasts the GDP from the manufacturing sector to increase by 3.57% to VND737.92 trillion (RM134.23 billion) in 2020.

Further, for households, electricity is required to operate domestic appliances, consumer electronic products and lighting. Along with the advancement of technology and product innovation, domestic appliances and consumer electronic products have evolved to include more advanced functions which bring greater convenience to consumers' daily lives. This has resulted in an increased adoption and usage of domestic appliances and consumer electronic products in households, consequently leading to increased electricity consumption in households.

As the manufacturing sector and households remain to be the top consumers of electricity in the country, the continued increase in electricity consumption will hence drive the demand for power generation, which will subsequently spur the power industry in Vietnam in the long term.

► **Government-driven initiatives to drive the growth of the power industry**

In response to the increasing demand for electricity in Vietnam, the government of Vietnam has undertaken and implemented various measures and initiatives to ensure sufficient and better quality of power supply to support the country's socio-economic development.

Under the Resolution of the Politburo on Orientations of the Vietnam's National Energy Development Strategy to 2030 and Outlook to 2045, the government of Vietnam has set out missions and key solutions in order to develop a sustainable power industry. Some highlights of the missions and key solutions include, but are not limited to:-

- Hydropower: Maximising the mobilisation of existing hydropower resources, building additional small, medium sized and pumped storage hydropower plants, as well as outlining a strategy to establish international cooperation for the development of hydropower;

- Wind and solar power: Prioritising the development of wind and solar power as well as encouraging the implementation of rooftop and floating solar photovoltaic systems;

- Thermal power: Focusing on the development of gas-fired power plants using LNG and gradually promoting it as an important power source supporting the national power system; and

- Biomass: Increasing the exploitation of biomass co-generation as well as enhancing the development of power generation using biomass.

The missions and key solutions in place to promote power generation using various types of power sources with the ultimate goal to ensure sufficient power supply for socio-economic development in Vietnam will bode well for the growth of the power industry in Vietnam.

Given the fact that electricity is an essential component in daily lives and plays a key role in powering economic growth, the prospects for growth in the power industry in Vietnam are positive based on the key drivers of the industry which stimulates continuous demand for electricity, thus drive the overall growth of the power industry in Vietnam.

(Source: Independent market research report dated 9 October 2020 prepared by Smith Zander)

7.7 Prospects of our Group

Our Group's revenue is primarily derived from its core business of construction. Our Group has also ventured into the power generation business since 2011. The prospects of our Group's respective business segments are set out below:-

Local construction division

As at the LPD, our Group's on-going projects in Malaysia are as set out below:-

Projects	Total contract sum RM' million	Amount billed as at the LPD RM' million	Unbilled amount as at the LPD RM' million
4 waste water and water-related facilities projects	684.96	480.98	203.98
1 construction of roadworks project	502.50	469.92	32.58
1 building construction project	90.42	78.64	11.78
1 property construction works project	440.97	412.14	28.83
Total	**1,718,85**	**1,441.68**	**277.17**

Our Group expects the construction division to continue to contribute positively given that our Group has an outstanding order book of approximately RM277.17 million as at the LPD, which is expected to be realised over the next 2 years. Our Group is actively bidding and/ or negotiating for new construction projects by selectively targeting higher margin projects to replenish its order book for the local construction division.

During the MCO imposed by the Government from 18 March 2020 to 3 May 2020 to contain the COVID-19 pandemic outbreak, our Group's construction works were halted until the Government introduced the CMCO which came into effect from 4 May 2020 to 9 June 2020. Upon obtaining the necessary approval from the Ministry of International Trade and Industry, our Group had gradually resumed its operations during the CMCO period. However, upon resumption of its construction works, our Group faced difficulties in contacting the relevant government bodies to obtain necessary approvals and/ or consent in relation to its construction works as the said government bodies have been operating at minimum capacity during the CMCO period. In view of the above, our Group expects delays in completing its on-going projects and as a result, there will be delays in recognising revenue for the construction works done for our Group's on-going projects.

Further to the above, our Group had also incurred higher costs to comply with the new working standard operating procedures (SOPs) as required by the Government in view of the COVID-19 pandemic outbreak, including, amongst others, mandatory COVID-19 tests for all staffs and construction workers.

Notwithstanding the above, our Group has resumed to operate at full capacity as at the LPD.

Power division

On 6 July 2015, JPH formed a joint-venture i.e. JPP with CPECC to jointly build and operate a 2 x 600 megawatt coal-fired thermal power plant located in Phuc Thanh Commune, Kinh Mon District in Hai Duong Province, Vietnam. Further details of the Joint Venture are set out in Note (1) of Section 4 of this Abridged Prospectus.

On 3 August 2015, Golden Keen was awarded the EPC Contract as part of the Project. The EPC Contract sets out the terms and conditions in respect of the services and work to be provided by Golden Keen in relation to the Project. The scope of the EPC Contract covers equipment and systems engineering, manufacture, procurement of equipment, delivery of equipment and materials to the site, construction and installation, testing and commissioning, reliability run, performance tests, training, warranty, supply of spare parts and handing over of all the materials, equipment and works associated with the supporting auxiliaries and ancillaries of the Power Plant including civil works, buildings, jetty, coal and limestone storage and handling system, ash handling system, ash pond, switchyard, water intake and cooling water system.

Due to the intensive capital commitment and long gestation period of the Project, the EPC Contract enables our Group to realise returns and generate revenue from the power plant investment, prior to the commencement of operations of the Power Plant and income from the power concession of 25 years. The EPC Contract allows our Group to recognise progress billings in the financial statements based on the stages of completion of the Power Plant, which results into returns for our Group until the completion of the Power Plant construction.

In Vietnam, in its effort to contain the outbreak of COVID-19, the Vietnamese Government imposed a Nationwide Isolation from 1 April 2020 to 15 April 2020. During the Nationwide Isolation, the construction of the Power Plant continued with a limited number of manpower as most of its personnel, who are from PRC, were unable to return to Vietnam from their Chinese New Year holidays in PRC as a result of the COVID-19 pandemic outbreak. However, since May 2020, most of the personnel from PRC have returned to Vietnam and resumed work. As at the LPD, the construction activities of the Power Plant have returned to full capacity.

As a result of the above, the commercial operation of the first unit of the Power Plant is expected to commence in the fourth quarter of 2020 compared to the initial expected commencement in the third quarter of 2020. The second unit of the Power Plant is expected to commence in the first quarter of 2021.

Upon completion of the Project and commencement of commercial operations of the Power Plant, our Group will be able to generate recurrent concession-type earnings from the generation and sale of power for a period of 25 years. Given the growth in Vietnam's economy and the prospects of the power sector in Vietnam, as set out in Sections 7.2 and 7.6 of this Abridged Prospectus, our Group expects the Project to contribute positively to our Group's income stream in the future.

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8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

8.1 Issued share capital

The pro forma effects of the Rights Issue with Warrants on the issued share capital of our Company are set out below:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
Issued share capital as at the LPD	675,063,445	687,375,256*1	675,063,445	687,375,256*1
Issuance of new Shares arising from the full exercise of the outstanding Warrants B	-	-	90,428,430	80,481,303*2
	675,063,445	**687,375,256**	**765,491,875**	**767,856,559**
Issuance of new Shares arising from full granting and exercise of the LTIP Options	-	-	33,743,940	34,756,258*3
Issuance of new Shares arising from full exercise of the outstanding LTIP Options	-	-	8,310,000	14,210,100*4
	675,063,445	**687,375,256**	**807,545,815**	**816,822,917**
Issuance of the Rights Shares	909,090,908	200,000,000*5	1,292,073,304	284,256,127*5
	1,584,154,353	**887,375,256**	**2,099,619,119**	**1,101,079,044**
Issuance of new Shares arising from the exercise of the Warrants	454,545,454	222,727,272*6	646,036,652	316,557,960*6
Enlarged issued share capital	**2,038,699,807**	**1,110,102,528**	**2,745,655,771**	**1,417,637,004**

Notes:-

*1 After accounting for the reversal of the warrants reserve of RM3.00 million pursuant to the exercise of 12,000,000 Warrants B into 12,000,000 new JRB Shares at the exercise price of RM0.64 each which were issued and allotted in January 2020 and July 2020

*2 Assuming all 90,428,430 outstanding Warrants B are fully exercised into 90,428,430 new JRB Shares at the exercise price of RM0.64 each and after accounting for the reversal of the warrants reserve of approximately RM22.61 million

*3 Assuming all the 33,743,940 LTIP Options which may be granted pursuant to the maximum allowable amount under the LTIP are fully granted and exercised into 33,743,940 new JRB Shares at an illustrative exercise price of RM0.82 each, which represents a discount of approximately RM0.09 or 9.89% to the 5-day VWAMP up to the LPD of RM0.91 and after accounting for the reversal of the LTIP reserve of approximately RM7.09 million

*4 Assuming all 8,310,000 outstanding LTIP Options are fully exercised into 8,310,000 new JRB Shares at the exercise price of RM1.40 each and after accounting for the reversal of the LTIP reserve of approximately RM2.58 million

*5 Calculated based on an issue price of RM0.22 per Rights Share

*6 Calculated based on an exercise price of RM0.49 per Warrant

8.2 NA per Share and gearing

The pro forma effects of the Rights Issue with Warrants on the NA and gearing of our Group based on the latest unaudited consolidated financial statements of JRB as at 30 June 2020 are set out below:-

Minimum Scenario

	Unaudited as at 30 June 2020 RM'000	(I) After subsequent events up to and including the LPD RM'000	(II) After (I) and the Rights Issue with Warrants RM'000	(III) After (II) and assuming full exercise of Warrants RM'000
Share capital	664,762	687,375[*1(a)(b)(d)]	887,375[*2]	1,110,103[*6]
LTIP reserve	2,576	2,576	2,576	2,576
Warrants reserve	25,607	22,607[*1(a)(b)]	145,334[*3]	22,607
Other reserve	-	-	(122,727)[*3]	-
Translation reserve	(9,859)	(9,859)	(9,859)	(9,859)
Retained earnings	297,619	363,950[*1(c)(d)]	358,350[*4]	358,350
Shareholders' funds/ NA	**980,705**	**1,066,649**	**1,261,049**	**1,483,777**
No. of JRB Shares in issue ('000)	651,118	675,063	1,584,154	2,038,700
NA per JRB Share (RM)	1.51	1.58	0.80	0.73
Total borrowings (RM'000)	398,859	398,859	392,859[*5]	392,859
Gearing (times)	0.41	0.37	0.31	0.26

Notes:-

*1 After incorporating the effects of the following:-

(a) adjustment for the reversal of warrants reserve of RM2.00 million pursuant to the exercise of 8,000,000 Warrants B into 8,000,000 new JRB Shares in January 2020, which was not reflected in the unaudited consolidated financial statements of JRB for the 6-month FPE 30 June 2020. The said adjustment will be rectified in the unaudited consolidated financial statements of JRB for the 9-month FPE 30 September 2020;

(b) the exercise of 4,000,000 Warrants B into 4,000,000 new JRB Shares at the exercise price of RM0.64 each in July 2020 and the reversal of the warrants reserve of RM1.00 million pursuant to the said exercise of Warrants B;

(c) the estimated net gain from the disposal of JIC by JAKS Sdn Bhd, a wholly-owned subsidiary of JRB, on 29 September 2020 amounting to approximately RM83.38 million, assuming the transaction had been effected on 30 June 2020; and

(d) the award of 19,945,000 JRB Shares pursuant to the share grant plan under the LTIP on 6 October 2020 and the share grant expenses amounting to approximately RM17.05 million

*2 Computed based on the issue price of RM0.22 per Rights Share

*3 After adjusting for the creation of warrants reserve based on the theoretical fair value of the Warrants of RM0.27 per Warrant of approximately RM122.73 million (computed based on the Trinomial option pricing valuation from Bloomberg as at the LPD)

*4 After deducting the estimated expenses in relation to the Rights Issue with Warrants amounting to RM5.60 million

*5 After taking into account the principal repayment of our Group's existing borrowings amounting to RM6.00 million from the use of proceeds as set out in Section 4 of this Abridged Prospectus

*6 Computed based on the exercise price of RM0.49 per Warrant, which represents the TERP of JRB Shares of RM0.49 calculated based on the 5-day VWAMP of JRB Shares up to and including the LPD of RM0.91 as set out in Section 2.2.2(ii) of this Abridged Prospectus

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Maximum Scenario

	Unaudited as at 30 June 2020 RM'000	(I) After subsequent events up to and including the LPD RM'000	(II) After (I) and assuming full exercise of the outstanding Warrants B[*2] RM'000	(III) After (II) and assuming full granting and exercise of LTIP Options RM'000	(IV) After (III) and the Rights Issue with Warrants RM'000	(V) After (IV) and assuming full exercise of Warrants RM'000
Share capital	664,762	687,375[*1(a)(b)(d)]	767,857	816,823[*3(a)(b)(c)]	1,101,079[*4]	1,417,637[*8]
LTIP reserve	2,576	2,576	2,576	-	-	-
Warrants reserve	25,607	22,607[*1(a)(b)]	-	-	174,430[*5]	-
Other reserve	-	-	-	-	(174,430)[*5]	-
Translation reserve	(9,859)	(9,859)	(9,859)	(9,859)	(9,859)	(9,859)
Retained earnings	297,619	363,950[*1(c)(d)]	363,950	356,864[*3(b)]	351,264[*6]	351,264
Shareholders' funds/ NA	**980,705**	**1,066,649**	**1,124,524**	**1,163,828**	**1,442,484**	**1,759,042**
No. of JRB Shares in issue ('000)	651,118	675,063	765,492	807,546	2,099,619	2,745,656
NA per JRB Share (RM)	1.51	1.58	1.47	1.44	0.69	0.64
Total borrowings (RM'000)	398,859	398,859	398,859	398,859	392,859[*7]	392,859
Gearing (times)	0.41	0.37	0.35	0.34	0.27	0.22

Notes:-

*1 After incorporating the effects of the following:-

(a) adjustment for the reversal of warrants reserve of RM2.00 million pursuant to the exercise of 8,000,000 Warrants B into 8,000,000 new JRB Shares in January 2020, which was not reflected in the unaudited consolidated financial statements of JRB for the 6-month FPE 30 June 2020. The said adjustment will be rectified in the unaudited consolidated financial statements of JRB for the 9-month FPE 30 September 2020;

(b) the exercise of 4,000,000 Warrants B into 4,000,000 new JRB Shares at the exercise price of RM0.64 each in July 2020 and the reversal of the warrants reserve of RM3.00 million pursuant to the said exercise of Warrants B and the exercise of 8,000,000 Warrants B into 8,000,000 new JRB Shares in January 2020;

(c) the estimated net gain from the disposal of JIC by JAKS Sdn Bhd, a wholly-owned subsidiary of JRB, on 29 September 2020 amounting to approximately RM83.38 million, assuming the transaction had been effected on 30 June 2020; and

(d) the award of 19,945,000 JRB Shares pursuant to the share grant plan under the LTIP on 6 October 2020 and the share grant expenses amounting to approximately RM17.05 million

*2 Assuming the 90,428,430 outstanding Warrants B are exercised at the exercise price of RM0.64 each and after reversal of warrant reserve

*3 Assuming the following:-

a) all the 33,743,940 LTIP Options which may be granted pursuant to the maximum allowable amount under the LTIP are fully granted and exercised into 33,743,940 new JRB Shares at an illustrative exercise price of RM0.82 each (which represents a discount of approximately RM0.09 or 9.89% to the 5-day VWAMP up to the LPD of RM0.91);

b) the creation and reversal of LTIP reserve pursuant to the granting and exercise of 33,743,940 LTIP Options of approximately RM7.09 million based on the theoretical fair value of the LTIP Options of RM0.21 per LTIP Option (computed based on the Black Scholes pricing valuation from Bloomberg); and

c) 8,310,000 outstanding LTIP Options are exercised at the exercise price of RM1.40 and after reversal of LTIP reserve of approximately RM2.58 million

*4 Computed based on the issue price of RM0.22 per Rights Share

*5 After adjusting for the creation of warrants reserve based on the theoretical fair value of the Warrants of RM0.27 per Warrant of approximately RM174.43 million (computed based on the Trinomial option pricing valuation from Bloomberg as at the LPD)

*6 After deducting the estimated expenses in relation to the Rights Issue with Warrants amounting to RM5.60 million

*7 After taking into account the principal repayment of our Group's existing borrowings amounting to RM6.00 million from the use of proceeds as set out in Section 4 of this Abridged Prospectus

*8 Computed based on the exercise price of RM0.49 per Warrant, which represents the TERP of JRB Shares of RM0.49, calculated based on the 5-day VWAMP of JRB Shares up to and including the LPD of RM0.91 as set out in Section 2.2.2(ii) of this Abridged Prospectus

8.3 Earnings and EPS

The Rights Issue with Warrants is not expected to have a material effect on the earnings of our Group for the financial year ending 31 December 2020. However, the EPS or loss per Share of our Group may be diluted upon the issuance of the Rights Shares and the new Shares arising from the exercise of the Warrants.

The potential effects of the Rights Issue with Warrants on the future consolidated earnings and EPS of our Group will depend on, amongst others, the level of returns generated from the use of proceeds to be raised from the Rights Issue with Warrants.

For illustrative purposes only, assuming the Rights Issue with Warrants had been completed on 1 January 2020 (being the beginning of the latest audited FYE 30 December 2019), the pro forma effects of the Rights Issue with Warrants on the basic loss per Share of our Group are as set out below:-

Minimum Scenario

	Unaudited 6-month FPE 30 June 2020 RM'000	After the Rights Issue with Warrants RM'000	Assuming full exercise of Warrants RM'000
Earnings/ (loss) after taxation attributable to owners of our Company	(4,055)	(4,055)	(4,055)
Weighted average no. of JRB Shares in issue ('000)	650,195	1,559,286	2,013,831
Basic loss per Share (sen)	(0.62)	(0.26)	(0.20)

Maximum Scenario

	Unaudited 6-month FPE 30 June 2020 RM'000	After the Rights Issue with Warrants RM'000	Assuming full exercise of Warrants RM'000
Earnings/ (loss) after taxation attributable to owners of our Company	(4,055)	(4,055)	(4,055)
Weighted average no. of JRB Shares in issue ('000)	650,195	1,942,268	2,588,305
Basic loss per Share (sen)	(0.62)	(0.21)	(0.16)

8.4 Convertible securities

Save as disclosed below, our Company does not have any other convertible securities as at the LPD:-

i. 90,428,430 outstanding Warrants B which are exercisable into 90,428,430 new JRB Shares at an exercise price of RM0.64 each and will expire on 13 December 2023; and

ii. 8,310,000 outstanding LTIP Options which are exercisable into 8,310,000 new JRB Shares at an exercise price of RM1.40 each.

The Rights Issue with Warrants may give rise to the adjustment to the exercise price and/ or additional number of LTIP Options and Warrants B pursuant to the relevant by-laws and deed poll.

Any necessary adjustments to the exercise price and additional number of LTIP Options and Warrants B to be issued arising from the Rights Issue with Warrants can only be finalised after the Entitlement Date in accordance with the provisions as contained in the relevant by-laws and deed poll. A notice will be despatched to the respective holders of the LTIP Options and Warrants B in the event of any such adjustments.

9. WORKING CAPITAL AND SOURCES OF LIQUIDITY, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS

9.1 Working capital and sources of liquidity

Our Group's working capital requirements have been funded by a combination of internal and external sources of funds. Our internal sources of funds are generated from our operating activities as well as our existing cash and bank balances, whereas our external sources of funds are derived from credit extended by suppliers and credit facilities from licensed financial institutions. The credit term granted to us by our suppliers is between 30 and 60 days.

As at 30 September 2020, our Group held cash and bank balances of approximately RM15.67 million. We also have unutilised bank overdrafts of approximately RM0.49 million as at the LPD.

Our Board is of the opinion that, after taking into consideration the funds generated from our operations, existing cash and bank balances and banking facilities available to our Group as well as proceeds to be raised from the Rights Issue with Warrants, we will have sufficient working capital for a period of 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at 30 September 2020, our Group has total outstanding borrowings of approximately RM394.91 million. All our borrowings are interest-bearing and denominated in local currency, as set out below:-

	RM'000
Long term borrowings:-	
Term loans	310,500
	310,500
Short term borrowings:-	
Trade lines	35,818
Revolving credits facilities	25,000
Term loans	14,000
Bank overdrafts	9,595
	84,413
Total borrowings	**394,913**

As at 30 September 2020, our Group does not have any non-interest bearing borrowings.

Our Group has not defaulted on payments of either interest and/ or principal sums in respect of any borrowings during the FYE 31 December 2019 and the subsequent financial period up to the LPD.

9.3 Contingent liabilities

Save as disclosed below, as at 30 September 2020, there are no other contingent liabilities incurred or known to be incurred by our Group, which upon becoming enforceable may have a material impact on the financial results or position of our Group:-

	RM'000
Unsecured Bank guarantees issued for the execution of contracts of our Group's subsidiaries	 46,617

9.4 Material commitments

Save as disclosed below, as at the LPD, there are no other commitments incurred or known to be incurred by our Group that has been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group:-

	RM'000
Capital contribution contracted but not provided for in respect of subscription of the remaining of approximately 37.14 million JPP USD Shares amounting to approximately USD37.14 million pursuant to the Subscription Agreement	154,131

The above capital commitments are expected to be funded via a combination of proceeds to be raised from the Rights Issue with Warrants, internally-generated funds, bank borrowings and/ or equity fundraising, the combination of which will be determined at a later stage after taking into consideration, amongst others, cost of funding and working capital requirements of our Group. In addition, our Group may also partly finance the remaining subscription amount via any surplus of proceeds not used for the future business projects or investments as set out in Note (2) of Section 4 of this Abridged Prospectus.

9.5 Material transactions

Save as disclosed below, our Board confirmed that there are no other transactions which may have a material effect on our Group's operations, financial position and results since the last audited consolidated financial statements of our Group for the FYE 31 December 2019:-

i. Our Company's wholly-owned subsidiary, JAKS Sdn Bhd, had on 29 September 2020 entered into a shares sale and purchase agreement with Island Circle Development (M) Sdn Bhd to dispose of its entire 510,000 ordinary shares in JIC for a total cash consideration of RM1.00. The disposal has been completed on 29 September 2020.

10. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE OR TRANSFER AND EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS

10.1 General

As you are an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments which you are entitled to subscribe for in full or in part in accordance with the terms and conditions of the Rights Issue with Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Allotments into your CDS Account and the RSF to enable you to subscribe for such Rights Shares with Warrants provisionally allotted to you, as well as to apply for the Excess Rights Shares with Warrants, if you choose to do so.

We shall make an announcement on the outcome of the Rights Issue with Warrants after the Closing Date.

10.2 NPA

The Provisional Allotments are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in such Provisional Allotments will be by way of book entries through CDS Accounts and will be governed by the SICDA, the Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository. You and/ or your renouncees and/ or your transferees (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

10.3 Last day, date and time for acceptance and payment

The last time, day and date for acceptance of and payment for the Provisional Allotments and the Excess Rights Shares with Warrants is at **5.00 p.m. on Thursday, 12 November 2020**.

10.4 Methods of acceptance and application

You may subscribe for the Provisional Allotments as well as apply for the Excess Rights Shares with Warrants, if you choose to do so, using either of the following methods:-

Method	Category of Entitled Shareholders
RSF	All Entitled Shareholders
e-Subscription	All individual Entitled Shareholders

10.5 Procedures for acceptance and payment

10.5.1 By way of RSF

If you and/ or your renouncees and/ or transferees (if applicable) wish to accept your or their entitlement to the Provisional Allotments, the acceptance of and payment for the Provisional Allotments must be made on the respective RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms of this Abridged Prospectus, the NPA or the RSF or the notes and instructions contained in the Documents or which are illegible may not be accepted at the absolute discretion of our Board.

Renouncees and/ or transferees (if applicable) who wish to accept the Provisional Allotments must obtain a copy of the RSF from our Share Registrar or at our Registered Office or from the Bursa Securities' website at (www.bursamalaysia.com) and complete the RSF and submit the same together with the remittance to our Share Registrar in accordance with the notes and instructions printed therein.

The procedures for acceptance and payment applicable to our Entitled Shareholders also apply to renouncees and/ or transferees (if applicable) who wish to accept the Provisional Allotments.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS PROVISIONALLY ALLOTTED TO YOU AND/ OR YOUR RENOUNCEES AND/ OR TRANSFEREES (IF APPLICABLE) AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR PROVISIONAL ALLOTMENTS ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.

YOU AND/ OR YOUR RENOUNCEES AND/ OR TRANFEREES (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY. IN ACCORDANCE WITH THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THIS ABRIDGED PROSPECTUS.

You and/ or your renouncees and/ or transferees (if applicable) who wish to accept your or their entitlement to the Provisional Allotments, either in full or in part, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed RSF together with the relevant payment must be despatched **BY ORDINARY POST, BY COURIER** or **DELIVERED BY HAND** (at your own risk) to our Share Registrar at the following address:-

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

or

Tricor Customer Service Centre
Unit G-3, Ground Floor, Vertical Podium
Avenue 3, Bangsar South
No.8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan

Tel. No.: +603-2783 9299
Fax. No.: +603-2783 9222

so as to arrive **not later than 5.00 p.m. on Thursday, 12 November 2020**, being the last time, day and date for acceptance of and payment for the Rights Shares with Warrants.

1 RSF can only be used for acceptance of Provisional Allotments standing to the credit of 1 CDS Account. Separate RSFs must be used for the acceptance of Provisional Allotments standing to the credit of more than 1 CDS Account. The Rights Shares with Warrants subscribed by you in accordance with the procedures set out in the RSF will be credited into the respective CDS Accounts where the Provisional Allotments are standing to the credit.

A reply envelope is enclosed with this Abridged Prospectus. In order to facilitate the processing of the RSF by our Share Registrar, you are advised to use 1 reply envelope for each completed RSF.

You and/ or your renouncees and/ or your transferees (if applicable) should take note that a trading board lot for the Rights Share with Warrants comprises 100 Rights and 100 Warrants each respectively. Successful applicants of the Rights Shares will be given free attached Warrants on the basis of 1 Warrant for every 2 Rights Shares subscribed for. The minimum number of securities that can be subscribed for or accepted is 8 Rights Shares together with 4 Warrants for every 5 JRB Shares held. Fractional entitlements arising from the Rights Issue with Warrants will be disregarded and dealt with by our Board as they may deem fit.

If acceptance of and payment for the Provisional Allotments are not received by our Share Registrar by **5.00 p.m.** on **Thursday, 12 November 2020**, being the last time, day and date for acceptance and payment, you will be deemed to have declined the Provisional Allotments allotted to you and it will be cancelled. Such Rights Shares with Warrants not taken up will be allotted to the applicants applying for Excess Rights Shares with Warrants in the manner as set out in Section 10.9 of this Abridged Prospectus.

Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar. No acknowledgement will be issued for the receipt of the RSF or the accompanying subscription monies for your acceptance of the Provisional Allotments. Our Board reserves the right not to accept any application or to accept any application in part only without providing any reason.

If you and/ or your renouncees and/ or transferees (if applicable) lose, misplace or for any other reasons require another copy of this Abridged Prospectus and/ or the RSF, you may obtain additional copies from your stockbrokers, our Share Registrar at the address stated above or at our Registered Office or the website of Bursa Securities' (www.bursamalaysia.com).

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR WILL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

ALL RIGHTS SHARES WITH WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING SUCH RIGHTS SHARES WITH WARRANTS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/ OR THEIR RENOUNCEES AND/ OR TRANSFEREES (IF APPLICABLE) WHERE THE PROVISIONAL ALLOTMENTS ARE STANDING TO THE CREDIT. NO PHYSICAL CERTIFICATE WILL BE ISSUED.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE MADE IN RM FOR THE FULL AND EXACT AMOUNT PAYABLE FOR THE PROVISIONAL ALLOTMENTS ACCEPTED, IN THE FORM OF BANKER'S DRAFT, CASHIER'S ORDER, MONEY ORDER OR POSTAL ORDER DRAWN ON A BANK OR POST OFFICE IN MALAYSIA AND MADE PAYABLE TO "JRB RIGHTS ISSUE ACCOUNT", CROSSED "ACCOUNT PAYEE ONLY" AND ENDORSED ON THE REVERSE SIDE WITH THE NAME AND CDS ACCOUNT NUMBER OF THE APPLICANT IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR BY THE CLOSING DATE.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED WITH THEIR RIGHTS SHARES WITH WARRANTS, AND NOTICES OF ALLOTMENT WILL BE DESPATCHED AND FORWARDED BY ORDINARY POST TO THE SUCCESSFUL APPLICANTS TO THE ADDRESS LAST SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES. APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS MUST BE MADE IN ACCORDANCE WITH THE RSF ENCLOSED WITH THIS ABRIDGED PROSPECTUS AND MUST BE COMPLETED STRICTLY IN ACCORDANCE WITH THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. ACCEPTANCES AND/ OR PAYMENTS WHICH DO NOT CONFORM WITH THE TERMS AND CONDITIONS OF THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF OR WHICH ARE ILLEGIBLE MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. OUR SHARE REGISTRAR WILL NOT CONTACT YOU AND/ OR YOUR RENOUNCEES AND/ OR TRANSFEREES (IF APPLICABLE) FOR SUCH ACCEPTANCES.

WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED INTO YOUR BANK ACCOUNT REGISTERED WITH BURSA DEPOSITORY FOR THE PURPOSE OF CASH DIVIDEND/ DISTRIBUTION. IF YOU HAVE NOT REGISTERED SUCH BANK ACCOUNT WITH BURSA DEPOSITORY THE REFUND WILL BE MADE BY WAY OF ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS LAST SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANT'S OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

10.5.2 By way of e-Subscription

You and/ or your renouncees and/ or transferees (if applicable) can have the option to accept your or their entitlement to the Provisional Allotments and payment for the Provisional Allotments through e-Subscription available from TIIH Online website at https://tiih.online.

Subsequent to the Entitlement Date, our Company will, at its discretion, authorise our Share Registrar to send an electronic notification to the Registered Entitled Shareholders. If you are a Registered Entitled Shareholder, you will be notified on the availability of e-Subscription for the Rights Issue with Warrants on TIIH Online website.

The e-NPA and the e-RSF are available to you upon your login to TIIH Online. You are advised to read the instructions as well as the terms and conditions of the e-Subscription.

The e-Subscription is only available to Entitled Shareholders who are individuals. Corporation or institutional Entitled Shareholders will have to complete the RSF for the application for the Rights Issue with Warrants as set out in Section 10.5.1 of this Abridged Prospectus.

Individual Registered Entitled Shareholders who wish to subscribe for the Provisional Allotments and apply for the Excess Rights Shares with Warrants by way of e-Subscription shall take note of the following:-

i. any e-Subscription received by our Share Registrar after the Closing Date for Acceptance, Excess Application and Payment shall be regarded as null and void and of no legal effect unless our Board in its absolute discretion determines otherwise. Any e-Subscription, once received by our Share Registrar from you, is irrevocable and shall be binding on you;

ii. you will receive notification to login to TIIH Online in respect of your shareholding in your CDS Accounts. Accordingly, for each CDS Account, you can choose to subscribe the Provisional Allotments which you are entitled to in whole or part thereof as stipulated in this Abridged Prospectus;

iii. the e-Subscription made must be in accordance with the procedures of submitting e-Subscription using TIIH Online, the terms and conditions of e-Subscription, this Abridged Prospectus and the e-RSF. Any e-Subscription submitted that does not conform to the terms and condition of TIIH Online, Abridged Prospectus and the e-RSF may not be accepted at the sole discretion of our Company. Our Company reserves the right at its absolute discretion to reject any e-Subscription which are incomplete or incorrectly completed;

iv. the number of Provisional Allotments you are entitled to under the Rights Issue with Warrants is set out in the e-RSF. You are required to indicate the number of Provisional Allotments you wish to accept and number of Excess Rights Shares with Warrants you wish to apply in the e-RSF;

v. the e-Subscription must be accompanied by remittance in RM which is to be made through online payment gateway;

vi. a handling fee of **RM5.00 per e-RSF** is payable should you make e-Subscription. You will also need to pay a stamp duty of RM10.00 for each e-RSF; and

vii. new Rights Shares with Warrants arising from the Provisional Allotments accepted and Excess Rights Shares with Warrants applied (if successful pursuant to Procedure for Excess Application as stated in Section 10.9 of this Abridged Prospectus) will be issued and credited into your CDS Account as stated in the Records of Depositors as at the date for transfer of Provisional Allotment.

All Entitled Shareholders who wish to opt for e-Subscription, either in full or in part of your Provisional Allotments, please read and follow the procedures set out below:-

i. Sign up as a user of TIIH Online

a) Access TIIH Online at https://tiih.online.

b) Under e-Services, select "Sign Up" – "Create Individual Account". You may refer to the tutorial guide posted on the homepage for assistance.

c) Registration will be approved within one working day and you will be notified by email.

d) Proceed to activate your account with the temporary password given in the email and re-set your own password.

Note: An email address can be used once to register as a new user account, and the same email address cannot be used to register another user account. If you are already a user of TIIH Online, you are not required to sign up again.

ii. Procedures to make e-Subscription

a) Login to TIIH Online at https://tiih.online with your username (i.e. your registered e-mail address) and password.

b) Select the corporate exercise name: JRB Rights Issue with Warrants.

c) Read and agree to the Terms & Conditions and confirm the Declaration.

d) Preview your CDS Account details and your Provisional Allotments.

e) Select the relevant CDS Account and insert the number of Provisional Allotments to subscribe and the number of Excess Rights Shares with Warrants to apply (if applicable) in the e-RSF.

f) Review and confirm the number of Provisional Allotments which you are subscribing and the number of Excess Rights Shares with Warrants you are applying (if applicable) and the total amount payable for the Provisional Allotments and Excess Rights Shares with Warrants (if applicable).

g) Payment of stamp duty at RM10.00 for each e-RSF and handling fee of RM5.00 for each e-RSF is included in the total amount payable.

h) Proceed to pay via online payment gateway either through Maybank2U or any Financial Process Exchange (FPX) participating bank which you have an internet banking account.

i) As soon as the online payment is completed, a confirmation message with details of your subscription and payment from TIIH Online and the relevant payment gateway will be sent to your registered e-mail address.

j) Print the payment receipt and your e-RSF for your reference and record.

iii. Terms and conditions for e-Subscription

The e-Subscription of Provisional Allotments and Excess Rights Shares with Warrants (if successful) shall be made on and subject to the terms and conditions appearing herein:-

a) After login to TIIH Online, you are required to confirm and declare the following information given is true and correct:-

1. you have attained 18 years of age as at the last day for subscription payment;

2. you have, prior to making the e-Subscription, received a printed copy of this Abridged Prospectus and/ or have had access to this Abridged Prospectus from Bursa Securities' website at www.bursamalaysia.com, the contents of which you have read and understood; and

3. you agree to all the terms and conditions for the e-Subscription as set out in this Abridged Prospectus and have carefully considered the risk factors as set out in Section 6 of this Abridged Prospectus, in addition to all other information contained in this Abridged Prospectus, before making the e-Subscription application;

b) you agree and undertake to subscribe for and to accept the number of Provisional Allotments and Excess Rights Shares with Warrants applied for (if applicable) as stated in the e-RSF. Your confirmation of your subscription will signify, and will be treated as, your subscription of the number of Rights Shares with Warrants that may be allotted to you.

c) by making and completing your e-Subscription, you, if successful, request and authorise our Share Registrar or our Company to credit the Rights Shares with Warrants allotted to you into your CDS Account.

d) you acknowledge that your e-Subscription is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company or our Share Registrar and irrevocably agree that if:-

1. our Company or our Share Registrar does not receive your e-Subscription; or

2. data relating to your e-Subscription application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Share Registrar,

you will be deemed not to have made an e-Subscription and you may not make any claim whatsoever against our Company or our Share Registrar for the Provisional Allotments accepted and/ or Excess Rights Shares with Warrants applied for or for any compensation, loss or damage relation to the e-Subscription.

e) you will ensure that your personal particulars recorded with TIIH Online and Bursa Depository are correct. Otherwise, your e-Subscription may be rejected; you must inform Bursa Depository promptly of any change in address failing which the notification on the outcome of your e-Subscription will be sent to your address last maintained with Bursa Depository.

f) by making and completing an e-Subscription, you agree that:-

1. in consideration of our Company agreeing to allow and accept your e-Subscription for the Provisional Allotments accepted and the Excess Rights Shares with Warrants applied for (if applicable), your e-Subscription is irrevocable and cannot be subsequently withdrawn; and

2. our Share Registrar will not be liable for any delays, failures or inaccuracies in the processing of data relating to your e-Subscription due to a breakdown or failure of transmission or communication facilities or to any cause beyond our control.

g) our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions.

h) notification on the outcome of your e-Subscription for the Provisional Allotments and the Excess Rights Shares with Warrants will be despatched to you by ordinary post to address as shown in the Record of Depositors of our Company at your own risk within the timeline as follows:-

1. successful application – a notice of allotment will be despatched within 8 Market Days from the Closing Date; or

2. unsuccessful or partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account if you have registered such bank account information to Bursa Depository for the purposes of cash dividend/ distribution. If you have not registered such bank account information with Bursa Depository the refund will be made by way of issuance of cheque and sent by ordinary post to the address last shown in the Record of Depositors provided by Bursa Depository at your own risk.

10.6 Procedures for part acceptance

You are entitled to accept part of your Provisional Allotments provided that the minimum number of Rights Shares with Warrants that can be subscribed for or accepted are 8 Rights Shares with 4 Warrants for every 5 JRB Shares held. Fractional Rights Shares with Warrants shall be disregarded and dealt with in a fair and equitable manner as our Board deems fit and expedient and in the best interest of our Company.

You must complete both Parts I(A) and II of the RSF by specifying the number of Provisional Allotments which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar. Please refer to Sections 10.5.1 and 10.5.2 of this Abridged Prospectus for the procedures for acceptance and payment by way of RSF and e-Subscription.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED HEREIN.

The portion of the Provisional Allotments that have not been accepted will be made available to applicants for Excess Applications.

10.7 Procedures for sale or transfer of Provisional Allotments

As the Provisional Allotments are renounceable securities, you may sell or transfer all or part of your entitlement to the Provisional Allotments or transfer all or part of your entitlement to 1 or more persons, you may do so through your stockbrokers without first having to request for a split of the Provisional Allotments standing to the credit in your CDS Account. To dispose or transfer all or part of your entitlement to the Provisional Allotments, you may sell such entitlement on Bursa Securities or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository, both for the period up to the last day, date and time for the sale and transfer of the Provisional Allotments.

If you have sold or transferred only part of the Provisional Allotments, you may still accept the balance of the Provisional Allotments by completing Parts I(A) and II of the RSF. Please refer to Sections 10.5.1 and 10.5.2 of this Abridged Prospectus for the procedures for acceptance and payment by way of RSF and e-Subscription.

In selling or transferring all or part of your Provisional Allotments, you need not deliver any document including the RSF, to any stockbroker. However, you must ensure that there is sufficient Provisional Allotments standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

10.8 Procedure for acceptance by renouncees and/ or transferees

Renouncees and/ or transferees (if applicable) who wish to accept the Provisional Allotments by way of RSF must obtain a copy of the RSF from their stockbrokers, our Share Registrar, our Registered Office or the website of Bursa Securities (http://www.bursamalaysia.com), complete the RSF and submit the same together with the remittance to our Share Registrar at the above-stated address in accordance with the notes and instructions printed therein.

Alternatively, you may login to https://tiih.online to subscribe for the Provisional Allotments by way of e-Subscription.

The procedures for acceptance and payment applicable to the Entitled Shareholders as set out in Sections 10.5.1 and 10.5.2 of this Abridged Prospectus also apply to renouncees and/ or transferees (if applicable) who wish to accept the Provisional Allotments.

10.9 Procedures for application for Excess Rights Shares with Warrants

10.9.1 By way of RSF

If you are an Entitled Shareholder and/ or a renouncee and/ or transferee (if applicable), you may apply for the Excess Rights Shares with Warrants in addition to your Provisional Allotments. If you wish to do so, please complete Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance** made in RM for the **FULL** and **EXACT** amount payable in respect of the Excess Rights Shares with Warrants applied for) using the envelope provided. Each completed RSF together with the relevant payment must be despatched **BY ORDINARY POST**, **COURIER** or **DELIVERED BY HAND** (at your own risk) to our Share Registrar at the address as set out in Section 10.5.1 of this Abridged Prospectus, so as to arrive by the Closing Date.

PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED SHOULD BE MADE IN THE SAME MANNER DESCRIBED IN SECTION 10.5.1 OF THIS ABRIDGED PROSPECTUS, EXCEPT THAT THE BANKER'S DRAFT OR CASHIER'S ORDER OR MONEY ORDER OR POSTAL ORDER DRAWN ON A BANK OR POST OFFICE IN MALAYSIA BE MADE PAYABLE TO "JRB EXCESS RIGHTS ISSUE ACCOUNT", CROSSED "ACCOUNT PAYEE ONLY" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME AND CDS ACCOUNT NUMBER OF THE APPLICANT IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR BY THE CLOSING DATE. THE PAYMENT MUST BE MADE FOR THE FULL AND EXACT AMOUNT PAYABLE FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR. ANY EXCESS OR INSUFFICIENT PAYMENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. CHEQUES OR OTHER MODES OF PAYMENT NOT PRESCRIBED HEREIN ARE UNACCEPTABLE.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS.

10.9.2 By way of e-Subscription

If you are an Entitled Shareholder and/ or renouncee and/ or transferee (if applicable) who is an individual, you may apply for the Excess Rights Shares with Warrants via e-Subscription in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares with Warrants by following the same steps as set out in Section 10.5.2 of this Abridged Prospectus.

The e-Subscription for Excess Rights Shares with Warrants will be made on, and subject to, the same terms and conditions appearing in Section 10.5.2 of this Abridged Prospectus.

It is the intention of our Board to allot the Excess Rights Shares with Warrants, if any, in a fair and equitable manner to the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) who have applied for the Excess Rights Shares with Warrants in the following priority:-

i. firstly, to minimise the incidence of odd lots;

ii. secondly, for allocation to the Entitled Shareholders who have applied for the Excess Rights Shares with Warrants under the Excess Application, on a pro-rata basis and in board lot, calculated based on their respective shareholdings in our Company as at the Entitlement Date;

iii. thirdly, for allocation to the Entitled Shareholders who have applied for the Excess Rights Shares with Warrants under the Excess Application, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for; and

iv. fourthly, for allocation to renouncees and/ or transferees (if applicable) who have applied for the Excess Rights Shares with Warrants under the Excess Application, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for.

In the event there is any remaining balance of Excess Rights Shares with Warrants applied for by the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable), who have applied for the Excess Rights Shares with Warrants after carrying out steps (i) to (iv) as set out above, steps (ii) to (iv) will be repeated again in the same sequence to allocate the remaining balance of the Excess Rights Shares with Warrants to the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) who have applied for the Excess Rights Shares with Warrants until such balance is fully allocated.

Nonetheless, our Board reserves the right to allot the Excess Rights Shares with Warrants applied for by the Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) in such manner as our Board deems fit, expedient and in the best interest of our Company, subject always to such allocation being made on a fair and equitable manner and that the intention of our Board as set out in (i), (ii), (iii) and (iv) above is achieved. Our Board also reserves the rights, at its absolute discretion, to accept in full or in part any application for the Excess Rights Shares with Warrants without assigning any reason thereof.

The final basis of allocation of the Excess Rights Shares with Warrants will be announced on Bursa Securities together with the result of the total valid acceptances and excess applications after the Closing Date.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED INTO YOUR BANK ACCOUNT REGISTERED WITH BURSA DEPOSITORY FOR THE PURPOSE OF CASH DIVIDEND/ DISTRIBUTION. IF YOU HAVE NOT REGISTERED SUCH BANK ACCOUNT WITH BURSA DEPOSITORY, THE REFUND WILL BE MADE BY WAY OF ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO THE APPLICANT WITHIN 15 MARKET DAYS FROM THE CLOSING DATE BY ORDINARY POST TO THE ADDRESS LAST SHOWN IN BURSA DEPOSITORY'S RECORD OF DEPOSITORS AT THE APPLICANTS' OWN RISK.

10.10 Notice of allotment

Upon allotment of the Rights Shares with Warrants in respect of your acceptance and/ or your renouncee and/ or transferee acceptance (if applicable) and Excess Application (if any), the Rights Shares with Warrants shall be credited directly into the respective CDS Account where the Provisional Allotments were credited. No physical certificates will be issued in respect of the Rights Shares with Warrants. However, a notice of allotment will be despatched to you and/ or your renouncee and/ or transferee (if applicable), by ordinary post within 8 Market Days from Closing Date, or such other period as may be prescribed or allowed by Bursa Securities, at the address last shown in the Record of Depositors at your own risk.

Where any application for the Rights Shares with Warrants is not accepted due to non-compliance with the terms of the Rights Shares with Warrants or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded without interest. The refund will be credited into your bank account registered with Bursa Depository for the purpose of cash dividend or distribution. If you have not registered such bank account with Bursa Depository, the refund will be made by way of issuance of cheque and shall be despatched to you within 15 Market Days from the Closing Date by ordinary post to the address last shown in the Record of Depositors at your own risk.

Please note that a completed RSF or e-RSF and the payment thereof once lodged with our Share Registrar cannot be withdrawn subsequently.

10.11 Form of issuance

Bursa Securities has already prescribed the Rights Shares with Warrants to be listed on the Main Market of Bursa Securities and to be deposited with Bursa Depository. Accordingly, the Rights Shares with Warrants are prescribed securities and as such, all dealings in the Rights Shares with Warrants will be subject to SICDA, Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical certificates will be issued in respect of the Rights Shares with Warrants. A notice of allotment will be despatched to the respective Entitled Shareholders and/ or their renouncees and/ or transferees (as the case may be) by ordinary post to the address last shown in the Record of Depositors provided by Bursa Depository at their own risk within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities.

Where the Rights Shares with Warrants are provisionally allotted to Entitled Shareholders in respect of their existing JRB Shares standing to the credit in their CDS Account as the Entitlement Date, the acceptance by Entitled Shareholders of the Provisional Allotments shall mean that they consent to receive such Provisional Allotments as prescribed or deposited securities which will be credited directly into their CDS Account.

Any person who has purchased the Provisional Allotments or to whom the Provisional Allotments has been transferred and intends to subscribe for the Rights Shares with Warrants must state his or her CDS Account number in the space provided in the RSF or e-RSF. The Rights Shares with Warrants will be credited directly as prescribed or deposited securities into his or her CDS Account upon allotment and issuance.

The Excess Rights Shares with Warrants, if allotted to the successful applicant who applies for Excess Rights Shares with Warrants, will be credited directly as prescribed securities into his or her CDS Account. The allocation will be made on a fair and equitable basis in such manner as our Board in its absolute discretion deems fit and expedient and in the best interest of our Company, as disclosed in Section 10.9 of this Abridged Prospectus.

10.12 Laws of foreign jurisdictions

The Documents have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any jurisdiction other than Malaysia. The Rights Issue with Warrants to which the Documents relate is only available to Entitled Shareholders receiving the Documents electronically or otherwise within Malaysia.

The Documents are not intended to be (and will not be) issued, circulated or distributed and the Rights Issue with Warrants will not be made or offered or deemed to be made or offered for purchase or subscription, in any country or jurisdiction other than Malaysia or to persons who are or may be subject to the laws of any country or jurisdiction other than the laws of Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia.

Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so.

Our Principal Adviser, our Company, our Directors, our officers and other professional advisers (collectively, the "**Parties**") would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) are or may be subject. Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) are solely responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject. The Parties do not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable), is or will become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, the Documents have not been (and will not be) sent to the Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) may collect the Documents from our Share Registrar, in which event our Share Registrar will be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid Documents.

Our Company will not make or be bound to make any enquiry as to whether you have a registered address in Malaysia other than as stated in the Record of Depositors as at the Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith. Our Company will assume that the Rights Issue with Warrants and the acceptance thereof by you would be in compliance with the terms and conditions of the Rights Issue with Warrants and would not be in breach of the laws of any jurisdiction. Our Company will further assume that you have accepted the Rights Issue with Warrants in Malaysia and will at all applicable times be subject to the laws of Malaysia.

The Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we will be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. The Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable), will have no claims whatsoever against the Parties in respect of their rights and entitlements under the Rights Issue with Warrants. Such Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing any of the forms in the Documents, the Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) the Parties that:-

i. the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which those Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) are or may be subject to;

ii. Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the Provisional Allotments;

iii. Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) are not nominees or agents of any person in respect of whom we would, by acting on the acceptance or renunciation of the Provisional Allotments, be in breach of the laws of any jurisdiction to which that person is or may be subject to;

iv. Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) are aware that the Provisional Allotments can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

v. Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) have obtained a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the Parties and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants; and

vi. Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing for or purchasing the Rights Shares with Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares with Warrants.

Persons receiving the Documents (including, without limitation, custodians, nominees and trustees) must not, in connection with the offer, distribute or send the Documents into any foreign jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If the Documents are received by any persons in such jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant jurisdiction in connection therewith.

Any person who does forward the Documents to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and our Company reserves the right to reject a purported acceptance of the Rights Shares with Warrants from any such application by Foreign Entitled Shareholders and/ or their renouncees and/ or transferees (if applicable) in any jurisdiction other than Malaysia.

We reserve the right, in our absolute discretion, to treat any acceptance of the Rights Shares with Warrants as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Allotments relating to any acceptance which is treated as invalid will be included in the pool of Excess Rights Shares with Warrants available for Excess Application by the other Entitled Shareholders. You and/ or your renouncees and/ or your transferees (if applicable) will also have no claims whatsoever against the Parties in respect of your, and/ or your renouncees' and/ or transferees' (if applicable) entitlements under the Rights Issue with Warrants or to any net proceeds thereof.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares with Warrants pursuant to the Rights Issue with Warrants is governed by the terms and conditions as set out in the Documents enclosed herewith.

12. FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully
For and on behalf of our Board
JAKS RESOURCES BERHAD

ANG LAM POAH
Chief Executive Officer

APPENDIX I – SALIENT TERMS OF THE WARRANTS

The salient terms of the Warrants are as set out below:-

Number of Warrants	:	Up to 646,036,652 new Warrants to be issued pursuant to the Rights Issue with Warrants.
Form and denomination	:	The Warrants will be separately traded and will be issued in registered form and constituted by a Deed Poll.
Exercise rights	:	Warrants entitle the registered holders, at any time during the Exercise Period, to subscribe for new Shares on the basis of 1 new JRB Share for 1 Warrant at the Exercise Price at any time during the Exercise Period, subject to adjustments in accordance with the provisions of the Deed Poll.
Tenure of Warrants	:	5 years from the date of issuance of the Warrants.
Exercise Period	:	The Warrants may be exercised at any time within a period of 5 years commencing from and including the date of issuance of the Warrants and ending at 5.00 p.m. on the Expiry Date. Any Warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid.
Exercise Price	:	The exercise price of the Warrants shall be RM0.49 for 1 new Share, subject to adjustments in accordance with the provisions of the Deed Poll.
Expiry Date	:	A date being 5 years from and including the date of issuance of the Warrants.
Mode of exercise	:	The registered holder of the Warrant is required to lodge a subscription form with our Company's registrar, duly completed, signed and stamped together with payment of the Exercise Price by bankers' draft or cashier's order drawn on a bank operating in Malaysia or money order or postal order issued by a post office in Malaysia.
Mode of transfer	:	The Warrants may be transferred in accordance with the SICDA and the Rules of Bursa Depository, and traded on Bursa Securities and subject to the provisions thereof, the Warrants shall be transferable in a board lot of 100 Warrants carrying the right to subscribe for 100 new JRB Shares, or in multiples thereof or in such other denomination as may be determined by Bursa Securities. No person shall be recognised by our Company as having title to the Warrants entitling the Warrant holder thereof to subscribe for a fractional part of a JRB Share or otherwise than as the sole holder of the entirety of such JRB Share and save as provided under the Deed Poll, the Warrants shall not be transferred prior to the listing and quotation of the Warrants on Bursa Securities.
Participation of Warrant holders and voting rights of Warrants	:	The Warrant holders are not entitled to any voting right or participation in any forms of distribution and/ or further securities in our Company until and unless such Warrant holders exercise the Warrants for the new Shares in accordance with the provisions of the Deed Poll and such new Shares have been allotted and issued to the Warrant holders. Each Warrant holder shall be deemed to remain the registered holder of Warrants credited in his/ her securities account until the name of the transferee is entered in the Record of Depositors.
Listing status	:	The Warrants shall be listed and quoted on the Main Market of Bursa Securities.

APPENDIX I – SALIENT TERMS OF THE WARRANTS (CONT'D)

Board lot	:	For the purpose of trading on the Bursa Securities, a board lot of Warrants shall comprise 100 Warrants carrying the right to subscribe for 100 new JRB Shares at any time during the Exercise Period, or such denomination as determined by Bursa Securities.
Adjustments in the Exercise Price and/ or number of Warrants	:	The Exercise Price and/ or number of unexercised Warrants may be adjusted, calculated or determined by our Board from time to time, at any time during the tenure of the Warrants in consultation with its professional advisers and certified by the auditors, in the event of alteration to the share capital of our Company, whether by way of, amongst others, rights issue, bonus issue, consolidation or subdivision or conversion of shares, reduction of capital, issuance of shares to shareholders of our Company by way of capitalisation of profits or reserves or capital distribution or allotment of shares, offer or invitation to its shareholders or any other events in accordance with the provisions of the Deed Poll.
Modification	:	Save as expressly provided in the Deed Poll, no amendment or addition may be made to the provisions of the Deed Poll without the sanction of a special resolution unless the amendments or additions are required to correct any typographical errors or relate purely to administrative matters or are required to comply with any provisions of the prevailing laws or regulations of Malaysia or in the opinion of our Company, will not be materially prejudicial to the interests of the Warrant holders. Any modification, amendment or addition to the Deed Poll (including the form and content of the warrant certificate) may be effected only (i) by deed executed by our Company and expressed to be supplemental thereof and (ii) subject to the provisions of the Deed Poll, if the approval of the Warrant holders by way of a special resolution has been obtained.
Rights in the event of winding-up liquidation, compromise and/ or arrangement	:	Where a resolution has been passed for a member's voluntary winding up of our Company, or where there is a compromise or arrangement whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company or the amalgamation of our Company with 1 or more companies, then for the purposes of such a winding-up, compromise or arrangement (other than a consolidation, amalgamation, arrangement or merger in which our Company is the continuing corporation) to which the Warrant holders, or some persons designated by them for such purposes by a special resolution, shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrant holders in the event a notice is given by our Company to its shareholders to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, and in any other case and subject to the provisions of the Deed Poll, every Warrant holder shall thereupon be entitled to exercise his Warrants at any time not more than 21 days prior to the proposed general meeting of the Company by submitting the subscription forms (by irrevocably surrendering his Warrants to our Company) duly completed authorising the debiting of his Warrants together with payment of the relevant Exercise Price, whereupon our Company shall as soon as possible but in any event prior to the date of the general meeting, allot the relevant new JRB Shares to the Warrant holder credited as fully paid subject to the prevailing laws, and such Warrant holder shall be entitled to receive out of the assets of our Company which would available in liquidation if he had on such date been the holder of the new JRB Shares to which he would have become entitled pursuant to such exercise and the liquidator of our Company shall give effect to such election accordingly.
Governing law	:	Laws and regulations of Malaysia.

APPENDIX II – INFORMATION ON OUR COMPANY

1. INCORPORATION AND PRINCIPAL ACTIVITIES

Our Company was incorporated in Malaysia under the Companies Act, 1965 (deemed registered under the Act) on 9 July 2002 under the name of JAKS Resources Sdn Bhd and subsequently converted into a public company on 30 August 2002. Our Company was listed on the Main Board (now known as Main Market) of Bursa Securities on 1 July 2004.

Our Company's principal activities are that of investment holding and general contractor. Through our subsidiaries, our Group is also involved in investment holding, general contractor, general trading, supplying of building materials, manufacturing of pipe and ductile steel pipe, general trading of building materials, steel as well as other steel related and construction related products, construction, offshore drilling, oil, gas, property development, property asset management and management of mall and other properties as well as renewable energy.

2. SHARE CAPITAL

Our Company's issued share capital as at the LPD is RM687,375,256 comprising 675,063,445 JRB Shares.

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3. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The pro forma effects of the Rights Issue with Warrants on the substantial shareholders' shareholdings in our Company based on our Company's Register of Substantial Shareholders as at the LPD are as set out below:-

Minimum Scenario

Name	Shareholding as at the LPD				(I) After the Rights Issue with Warrants				(II) After (I) and the assuming full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ang Lam Poah	101,590,062	15.05	-	-	328,862,789	20.76	-	-	442,499,152	21.70	-	-
Kenanga IB	-	-	-	-	454,545,454	28.69	-	-	681,818,181	33.44	-	-
Malacca Securities	-	-	-	-	227,272,727	14.35	-	-	340,909,090	16.72	-	-

Maximum Scenario

Name	Shareholding as at the LPD				(I) Assuming full exercise of Warrants B				(II) After (I) and assuming full granting and/ or exercise of the LTIP Options			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ang Lam Poah	101,590,062	15.05	-	-	126,417,113*1	16.51	-	-	126,417,113	15.65	-	-

Name	(III) After (II) and the Rights Issue with Warrants				(IV) After (III) and assuming full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ang Lam Poah	328,684,493	15.65	-	-	429,818,183	15.65	-	-

Note:-

*1 Ang Lam Poah holds 24,827,051 Warrants B as at the LPD

4. BOARD OF DIRECTORS

The details of our Board as at the LPD are set out below:-

Name	Age	Address	Nationality
Tan Sri Datuk Hussin Bin Haji Ismail *(Chairman/ Independent Non-Executive Director)*	67	No. 42, Jalan Ubin U8/19 A Seksyen U8 Bukit Jelutong 40150 Shah Alam Selangor Darul Ehsan	Malaysian
Ang Lam Poah *(Chief Executive Officer)*	53	23A Bangsar Hill Jalan Medang Serai Off Jalan Medang Kapas 59100 Kuala Lumpur	Malaysian
Dato' Razali Merican Bin Naina Merican *(Executive Director)*	49	No. 12, Jalan Rabung U8/37 Taman Bukit Jelutong 40150 Shah Alam Selangor Darul Ehsan	Malaysian
Ang Lam Aik *(Executive Director)*	46	Lot 652, Lorong 20 42600 Jenjarom Selangor Darul Ehsan	Malaysian
Dato' Azman Bin Mahmood *(Independent Non-Executive Director)*	69	Lot 14, Jalan Tengah 48200 Petaling Jaya Selangor Darul Ehsan	Malaysian
Liew Jee Min @ Chong Jee Min *(Independent Non-Executive Director)*	61	No. 5, Solok Batai Laut Off Jalan Batai Laut 41300 Klang Selangor Darul Ehsan	Malaysian
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar *(Independent Non-Executive Director)*	70	No. 4, Jalan Akik Satu 7/3A 40000 Shah Alam Selangor Darul Ehsan	Malaysian
Khor Hun Nee *(Independent Non-Executive Director)*	43	No. 21, Jalan Putra Bahagia Seksyen 8/2E, Putra Heights 47650 Subang Jaya Selangor Darul Ehsan	Malaysian

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Save for those disclosed below, none of the other Directors have any direct and/ or indirect shareholding in our Company as at the LPD. The pro forma effect of the Rights Issue with Warrants on the Directors' shareholdings in our Company as at the LPD are as set out below:-

Minimum Scenario

	Shareholding as at the LPD				(I) After the Rights Issue with Warrants				(II) After (I) and the assuming full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Ang Lam Poah	101,590,062	15.05	-	-	328,862,789	20.76	-	-	442,499,152	21.70	-	-
Dato' Razali Merican Bin Naina Merican ("**Dato' Razali**")	4,840,800	0.72	-	-	4,840,800	0.31	-	-	4,840,800	0.24	-	-

Maximum Scenario

	Shareholding as at the LPD				(I) Assuming full exercise of Warrants B				(II) After (I) and assuming full granting and/ or exercise of the LTIP Options			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Ang Lam Poah	101,590,062	15.05	-	-	126,417,113[*1]	16.51	-	-	126,417,113	15.65	-	-
Dato' Razali	4,840,800	0.72	-	-	5,615,800[*2]	0.73	-	-	5,615,800	0.70	-	-

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

	(III) After (II) and the Rights Issue with Warrants				(IV) After (III) and assuming full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ang Lam Poah	328,684,493	15.65	-	-	429,818,183	15.65	-	-
Dato' Razali	14,601,080	0.70	-	-	19,093,720	0.70		

Notes:-

*1 Ang Lam Poah holds 24,827,051 Warrants B as at the LPD

*2 Datuk Razali holds 775,000 Warrants B as at the LPD

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5. HISTORICAL FINANCIAL INFORMATION

The following table sets out a summary of our Group's key financial information based on our audited consolidated statements of comprehensive income, statements of financial position and statements of cash flows for the financial years and period under review:-

i. Historical financial performance:-

	Audited			Unaudited	
	FYE 31 December 2017 (RM'000)	FYE 31 December 2018 (RM'000)	FYE 31 December 2019 (RM'000)	6-month FPE 30 June 2019 (RM'000)	6-month FPE 30 June 2020 (RM'000)
Revenue	676,792	658,118	1,051,737	613,228	150,224
Cost of sales	(586,886)	(631,649)	(856,191)	(510,197)	(140,222)
Gross profit	**89,906**	**26,469**	**195,546**	**103,031**	**10,002**
Other income	105,070	10,808	5,852	1,355	423
Selling and distribution expenses	(1,855)	(2,853)	(5)	(1)	(153)
Administrative expenses	(52,638)	(50,466)	(115,288)	(46,734)	(22,445)
Net loss on impairment of financial instruments	-	(1,155)	(12,490)	-	-
Other expenses	(644)	(2,299)	-	-	-
Profit/ (loss) from operation	**139,839**	**(19,496)**	**73,615**	**57,651**	**(12,173)**
Finance costs	(27,526)	(23,248)	(20,948)	(10,355)	(13,046)
Share of results of joint ventures	(102)	(459)	(37)	(116)	-
Profit / (loss) before taxation	**112,211**	**(43,203)**	**52,630**	**47,180**	**(25,219)**
Taxation	(2,144)	(3,404)	(6,748)	(2,036)	(1,227)
Profit / (loss) after taxation	**110,067**	**(46,607)**	**45,882**	**45,144**	**(26,446)**
Profit / (loss) attributable to:-					
Owners of our Company	126,640	15,351	108,050	65,906	(4,055)
Non-controlling interest	(16,573)	(61,958)	(62,168)	(20,762)	(22,391)
	110,067	**(46,607)**	**45,882**	**45,144**	**(26,446)**
Gross profit margin (%)	13.28	4.02	18.59	16.80	6.66
Profit / (loss) after taxation margin (%)	16.26	(7.08)	4.36	7.36	(17.60)
Number of Shares in issue ('000)	492,747	545,943	643,118	643,118	651,118
Weighted average number of Shares in issue ('000)	474,645	533,803	615,531	587,178	650,195
Weighted average number of Shares (diluted) ('000)	475,423	533,803	638,016	587,178	684,490
Basic profit / (loss) per Share (sen)	26.68	2.88	17.55	11.22	(0.62)
Diluted profit / (loss) per Share (sen)	26.64	2.88	16.94	11.22	(0.59)
Dividend paid (RM)	-	-	-	-	-

ii. **Historical financial position:-**

	Audited			Unaudited
	As at 31 December 2017 (RM'000)	As at 31 December 2018 (RM'000)	As at 31 December 2019 (RM'000)	As at 30 June 2020 (RM'000)
Total non-current assets	922,316	994,526	1,178,983	1,182,539
Total current assets	1,168,501	1,248,484	1,069,825	1,018,572
Total assets	**2,090,817**	**2,243,010**	**2,248,808**	**2,201,111**
Share capital	524,387	598,975	659,62	664,762
Reserves	173,691	219,229	318,307	315,943
Total equity attributable to owners of our Company	**698,078**	**818,204**	**977,949**	**980,705**
Non-controlling interest	66,032	4,074	(58,094)	(80,485)
Total equity	**764,110**	**822,278**	**919,855**	**900,220**
Total non-current liabilities	310,763	321,875	306,232	310,696
Total current liabilities	1,015,944	1,098,858	1,022,721	990,195
Total liabilities	**1,326,707**	**1,420,733**	**1,328,953**	**1,300,891**
Total liabilities and equity	**2,090,817**	**2,243,011**	**2,248,808**	**2,201,111**
NA per Share (RM)	1.42	1.50	1.52	1.51

iii. **Historical cash flows:-**

	Audited			Unaudited	
	FYE 31 December 2017 (RM'000)	FYE 31 December 2018 (RM'000)	FYE 31 December 2019 (RM'000)	6-month FPE 30 June 2019 (RM'000)	6-month FPE 30 June 2020 (RM'000)
Net cash from/ (used in) operating activities	28,531	41,205	211,653	27,172	(27,014)
Net cash from/ (used in) investing activities	3,677	(59,130)	(209,688)	(85,853)	(13,618)
Net cash from/ (used in) financing activities	79,570	38,372	(1,012)	5,754	(15,984)
Net increase/ (decrease) in cash and cash equivalents	**111,778**	**20,447**	**953**	**(52,927)**	**(56,616)**
Effect of exchange rate movements	(1,819)	(1,813)	2,800	971	1,692
Cash and cash equivalent at beginning of financial years/ period	(46,370)	63,589	82,223	82,223	85,976
Cash and cash equivalents at the end of financial years/ period	**63,589**	**82,223**	**85,976**	**30,267**	**31,052**

Commentary on past performance

i. **FYE 31 December 2019**

For the FYE 31 December 2019, our Group recorded revenue of RM1,051.74 million, which represents an increase of RM393.62 million or 59.81% as compared to the preceding financial year of RM658.12 million. The increase was mainly attributable to higher revenue from the construction segment by RM399.31 million in the FYE 31 December 2019 of RM1,027.64 million as compared to RM628.33 million in the preceding financial year mainly due to construction revenue derived from the EPC Contract.

Our Group recorded a gross profit of RM195.55 million for the FYE 31 December 2019 which represents an increase of RM169.08 million or 638.76% as compared to a gross profit of RM26.47 million in the preceding year. The higher gross profit recorded for the FYE 31 December 2019 was mainly due to the higher revenue recorded as explained above.

Our Group recorded a gross profit margin of 18.59% for the FYE 31 December 2019 which represents an increase of 14.57% as compared to a gross profit margin of 4.02% in the preceding year. The increase was mainly due to higher revenue derived from the EPC Contract which has a higher gross profit margin and no provision for disputed performance liability of RM50.00 million in relation to the development of the Pacific Star project. In the FYE 31 December 2018, the said provision for disputed performance liability was charged out, as Star Media Group Berhad (being the purchaser of an office tower building within the Pacific Star project) has called on the bank guarantee for the project amounting to RM50.00 million on the ground that JIC (being the developer of the Pacific Star project) had not delivered the vacant possession of the office tower building based on the agreed completion timeline. The payment from the bank guarantee of RM50.00 million was released to Star Media Group Berhad on 9 January 2019.

Our other income mainly comprised gain on disposal of property, plant and equipment, interest income and/ or gain on foreign exchange. Our other income for the FYE 31 December 2019 was RM5.85 million, which represents a decrease of RM4.96 million or 45.88% as compared to the preceding year of RM10.81 million. The decrease was mainly due to the lower gain on disposal of property, plant and equipment amounting to RM0.04 million, a decrease by RM6.88 million as compared to RM6.92 million in the preceding financial year. Nevertheless, the decrease in other income was partially offset by the gain on foreign exchange of RM1.86 million recorded in the FYE 31 December 2019. In the FYE 31 December 2018, a one-off gain on disposal of property, plant and equipment of RM6.77 million was recognised pursuant to the disposal of our land held for development in Subang Jaya, Selangor Darul Ehsan.

Our administrative expenses for the FYE 31 December 2019 was RM115.29 million, which represent an increase of RM64.82 or 128.43% as compared to the preceding year of RM50.47 million. The increase was mainly due to:-

i. impairment loss on goodwill of RM20.36 million in the FYE 31 December 2019 relating to our investment in our operating subsidiary, namely JAKS Sdn Bhd, as compared to nil in the preceding financial year;

ii. share grant expense of RM19.74 million in the FYE 31 December 2019 as 38,709,760 JRB Shares were granted and vested to our Directors and employees, as compared to nil in the preceding financial year; and

iii. impairment loss on investment in investment properties of RM10.40 million in the FYE 31 December 2019 relating to our investment in our investment property, namely Pacific Star Business Hub, as compared to nil in the preceding financial year.

Our net loss on impairment of financial instruments for the FYE 31 December 2019 was RM12.49 million, which represents an increase of RM11.33 million or 976.72% as compared to the preceding year of RM1.16 million. The increase was mainly due to the impairment of our Group's trade receivables and other receivables in the FYE 31 December 2019 of RM5.32 million and RM7.19 million, respectively (FYE 31 December 2018: RM1.11 million and RM0.99 million, respectively) relating to our customers and debtors that are in significant financial difficulties and have defaulted on payments to our Group.

Our other expenses for the FYE 31 December 2019 was nil as compared to RM2.30 million for the FYE 31 December 2018. In the FYE 31 December 2018, our other expenses mainly comprised a loss on foreign exchange of RM2.26 million.

Our finance costs for the FYE 31 December 2019 was RM20.95 million, which represents a decrease of RM2.30 million or 9.89% as compared to the preceding year of RM23.25 million. The decrease was mainly due to reduction in total borrowings amounting to RM13.21 million arising from principal repayments during the FYE 31 December 2019.

Our Group recorded a profit before taxation of RM52.63 million, which represents an increase of RM95.83 million or 221.83% as compared to loss before taxation of RM43.20 million in the preceding financial year. The increase was mainly due to higher revenue and gross profit as explained above.

The cash and cash equivalents net of deposits pledged as security of our Group for the FYE 31 December 2019 stood at RM85.98 million, which represents an increase of RM3.76 million or 4.57% as compared to the preceding year of RM82.22 million. The higher cash and cash equivalents were mainly due to higher cash from operating activities by RM170.45 million mainly attributable to higher profit before tax as explained above.

However, the cash inflow movement was offset by the following:-

a) higher net cash used in investing activities of RM209.69 million in the FYE 31 December 2019, which represents an increase of RM150.56 million or 254.63% as compared to RM59.13 million in the FYE 31 December 2018. The increase was mainly attributable to higher additional share investment in relation to the Joint Venture by RM89.21 million as well as higher addition to investment properties by RM61.97 million; and

b) net cash used in financing activities of RM1.01 million in the FYE 31 December 2019, which represent a decrease of RM39.38 million or 102.63% as compared to net cash from financing activities of RM38.37 million in the FYE 31 December 2018. The net cash used in financing activities was mainly attributable to lower issuance of ordinary shares by RM27.57 million as well as the absence of proceeds from issuance of warrants and exercise of share option in the FYE 31 December 2019 (FYE 31 December 2018: RM30.60 million).

ii. **6-month FPE 30 June 2020**

For the 6-month FPE 30 June 2020, our Group recorded revenue of RM150.22 million, which represents a decrease of RM463.01 million or 75.50% as compared to the preceding financial period of RM613.23 million. The results were mainly due to:-

a) lower revenue recorded for our construction segment by RM431.15 million in the 6-month FPE 30 June 2020 of RM158.55 million as compared to RM589.70 million in the preceding period mainly due to the COVID-19 pandemic which resulted in slowdown of construction works (including the EPC Contract); and

b) lower revenue recorded for our property development and investment segment by RM29.81 million in the 6-month FPE 30 June 2020 of RM11.18 million as compared to a revenue of RM40.99 million in the preceding period mainly due to the slowdown in business during the MCO period. After provision for liquidated ascertained damages charges of RM19.60 million as compared to RM18.05 million in the preceding financial period, our property development and investment segment recorded revenue of negative RM8.42 million for the 6-month FPE 30 June 2020, as compared to revenue of RM22.95 million in the preceding financial period. The said provisions for liquidated ascertained damages charges were due to late deliveries of office suites and residential units in relation to the Pacific Star project.

Our Group recorded gross profit of RM10.00 million for the 6-month FPE 30 June 2020, which represents a decrease of RM93.03 million or 90.29% as compared to RM103.03 million in the preceding period. The decrease was mainly due to the lower revenue recorded in the FPE 30 June 2020 as explained above.

Our Group recorded a gross profit margin of 6.66% for the 6-month FPE 30 June 2020, which represents a decrease of 10.14% as compared to 16.80% in the preceding period. The decrease was mainly due to lower revenue contribution from our construction segment as explained above, in particular the EPC Contract which has a higher gross profit margin.

Our other income for the 6-month FPE 30 June 2020 was RM0.42 million, which represents a decrease of RM0.94 million or 69.12% as compared to RM1.36 million in the preceding period. The decrease was mainly attributable to lower interest income recorded in the 6-month FPE 30 June 2020 of RM0.28 million compared to RM1.06 million recorded in the preceding period.

Our administrative expenses for the 6-month FPE 30 June 2020 were RM22.45 million, which represent a decrease of RM24.28 million or 51.96% as compared to the preceding financial period of RM46.73 million. The decrease was mainly due to share grant expenses of RM19.74 million recorded in FPE 30 June 2019 and accrual receivable and impairment loss on other receivables of RM2.07 million recorded in the FPE 30 June 2019.

Our finance cost for the 6-month FPE 30 June 2020 was RM13.05 million, which represents an increase of RM2.69 million or 25.97% as compared to the preceding financial period of RM10.36 million. The increase was mainly due to charge out of interest for a term loan amounting to RM3.38 million in FPE 30 June 2020, which was previously capitalised.

Our Group recorded a loss before taxation of RM25.22 million for the 6-month FPE 30 June 2020, which represents a decrease of RM72.40 million or 153.45% as compared to a profit before taxation of RM47.18 million recorded in the preceding financial period. The decrease was mainly due to lower revenue and gross profit as explained above.

The cash and cash equivalents net of deposits pledged as securities of our Group for the 6-month FPE 30 June 2020 stood at RM31.05 million, which represents an increase of RM0.78 million or 2.58% as compared to the preceding financial period of RM30.27 million. The increase was mainly due to higher cash and cash equivalent at the beginning of FYE 31 December 2020 of RM85.98 million as compared to RM82.22 million in the preceding financial year as well as higher translation reserve of RM1.69 million in the 6-month FPE 30 June 2020 as compared to RM0.97 million in the preceding financial period.

Notwithstanding the above, our Group recorded a higher decrease in cash and cash equivalents in the 6-month FPE 30 June 2020 of RM56.62 million as compared to RM52.93 million in the preceding financial period. The increase were mainly due to the following:-

a) a net cash used in operating activities of RM27.01 million as compared to a net cash from operating activities of RM27.17 million in the preceding financial period. This is mainly due to the loss before taxation of RM25.22 million in the 6-month FPE 30 June 2020 as compared to a profit before taxation of RM47.18 million in the preceding financial period as well as higher amount due from customers for contracts works of RM99.17 million in the 6-month FPE 30 June 2020 as compared to RM36.19 million in the preceding financial period; and

b) a net cash used in financing activities of RM15.98 million as compared to a net cash from financing activities of RM5.75 million in the preceding financial period. This is mainly due to lower net proceeds received from issuance of new shares of RM5.12 million in the 6-month FPE 30 June 2020 as compared to RM39.64 million in the preceding financial period.

However, the movement was partially offset by the lower net cash used in investing activities by RM72.23 million in the 6-month FPE 30 June 2020 of RM13.62 million as compared to RM85.85 million in the preceding financial period, mainly due to lower additional investment in joint venture company of RM13.48 million in the 6-month FPE 30 June 2019 as compared to RM84.79 million in the preceding financial period.

6. HISTORICAL SHARE PRICES

The monthly highest and lowest last transacted market prices of JRB Shares as traded on Bursa Securities for the 12 months from October 2019 to September 2020 are set out below:-

	High RM	Low RM
2019		
October	1.060	0.745
November	1.380	1.060
December	1.310	1.180
2020		
January	1.480	1.180
February	1.540	1.240
March	1.290	0.675
April	1.050	0.790
May	1.140	0.875
June	1.000	0.860
July	0.975	0.770
August	0.810	0.750
September	0.875	0.755
Last transacted market price on 21 May 2020 (being the date prior to the announcement dated 22 May 2020 in relation to the Original Rights Issue with Warrants) (RM)		1.050
Last transacted market price on 10 July 2020 (being the date prior to the announcement dated 13 July 2020 in relation to the revisions to the Rights Issue with Warrants) (RM)		0.930
Last transacted market price on the LPD (RM)		0.880
Last transacted market price on 23 October 2020 (being the last trading date prior to the ex-date for the Rights Issue with Warrants)		0.880

(Source: Bloomberg Finance Singapore L.P.)

7. OPTION TO SUBSCRIBE FOR JRB SHARES

As at the LPD, save as disclosed below, no option to subscribe for JRB Shares has been granted or is entitled to be granted to any person:-

i. Provisional Allotments and Excess Rights Shares with Warrants;

ii. 90,428,430 outstanding Warrants B which are exercisable into 90,428,430 new JRB Shares at an exercise price of RM0.64 each and will expire on 13 December 2023; and

iii. under the LTIP, up to 15.00% of the total number of issued shares of our Company (excluding treasury shares, if any) may be allotted and issued to the Directors and employees of our Group, who meet the criteria and eligibility for participation, at any point of time during the duration of 5 years from the effective date of the LTIP i.e. 5 July 2016.

The LTIP comprises share option scheme and share grant scheme (which consists of restricted share plan and performance share plan). Under the share option scheme, the exercise price for the LTIP Options shall be determined by our Board upon recommendation of the LTIP committee based on the 5-day VWAMP of JRB Shares immediately preceding the award date of the LTIP Options with a discount of not more than 10% or such other percentage of discount as may be permitted by Bursa Securities and/ or any other relevant authorities from time to time at the discretion of the LTIP committee. Under the share grant scheme, new JRB Shares will be vested with the grantee at no consideration on the vesting date.

As at the LPD, there are 8,310,000 outstanding LTIP Options which are exercisable into 8,310,000 new JRB Shares at an exercise price of RM1.40 each while up to 33,743,940 new JRB Shares may be issued and allotted under the LTIP.

8. MATERIAL CONTRACTS

Save as disclosed below, neither our Company nor our subsidiary companies have entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past 2 years immediately preceding the date of this Abridged Prospectus:-

i. the deed poll dated 5 November 2018 executed by our Company constituting the Warrants B;

ii. the sale and purchase agreement dated 13 August 2019 entered into between Bukit To'Kanga Estate Sdn Berhad as vendor and JAKS Solar Power Sdn Bhd (our indirect wholly-owned subsidiary) as purchaser for the sale and purchase of 30 parcels of land all located in Mukim 7, Daerah Seberang Perai Selatan, Negeri Pulau Pinang for a total purchase price of RM27,816,480.00. As at the LPD, the transaction has yet to be completed;

iii. the shares sale and purchase agreement dated 29 September 2020 entered into between JAKS Sdn Bhd (our wholly-owned subsidiary) and Island Circle Development (M) Sdn Bhd for the disposal of JAKS Sdn Bhd's entire 510,000 ordinary shares in JIC to Island Circle Development (M) Sdn Bhd for a total cash consideration of RM1.00. The transaction has been completed on 29 September 2020;

iv. the Deed Poll; and

v. the Underwriting Agreement.

9. MATERIAL LITIGATION

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and there are no other proceedings pending or threatened against our Group, or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of our Group:-

i. **In the High Court of Malaya at Kuala Lumpur**
Suit No. WA-22NCvC-258-04/2019
Star Media Group Berhad v. JRB

Star Media Group Berhad ("**STAR**") had on 30 April 2019 served a Writ of Summons and Statement of Claim dated 19 April 2019 against our Company claiming that our Company as the corporate guarantor of JIC is liable for JIC's purported default of obligations under the Sale and Purchase Agreement entered into on 19 August 2011 between JIC and STAR ("**Sale and Purchase Agreement**") to purchase a leasehold land located at Seksyen 13, Petaling Jaya for a purchase consideration of RM135.00 million. The claim is for *inter alia* specific relief and damages for the total amount of approximately RM177.72 million.

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

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

On 1 August 2019, STAR filed a Notice of Application for disposal of case on point of law and/ or striking out and/ or summary judgment pursuant to Order 14A, Order 18 Rule 19 and Order 81 of the Rules of Court 2012 ("**258 Application**").

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

The 258 Application was heard by the Court on 7 August 2020. The Court partly allowed STAR's application and ordered JRB to pay damages to STAR, being late payment interest at the rate of 8% per annum on the balance purchase price of RM134,500,000.00 from 25 October 2015 to 6 July 2020.

JRB filed an appeal against the Court's order on 21 August 2020 and also applied for a stay of execution of the Court's order on 22 August 2020.

The application for stay of execution is fixed for hearing on 25 November 2020.

An interim stay of execution has been granted by the Court pending disposal of the application for stay of execution.

Our solicitors are of the opinion that JRB has merits in its appeal and has a good chance of succeeding in its appeal and that there are special circumstances to warrant a stay of execution of the Court's order.

For information purposes only, JIC is no longer an indirect subsidiary of our Company following its disposal by JAKS Sdn Bhd on 29 September 2020. Further details of the JIC disposal is set out in Section 9.5 of this Abridged Prospectus.

ii. **In the High Court of Malaya at Kuala Lumpur**
Suit No. WA-22NCvC-374-05/2019
JRB and JAKS Island Circle Sdn Bhd v. Star Media Group Berhad

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

a) a declaration that the Completion Period for JIC to deliver STAR's entitlement under the Sale and Purchase Agreement is on 20 June 2020;

b) a declaration that STAR has breached the Sale and Purchase Agreement;

c) a declaration that STAR is unjustly enriched;

d) the sum of RM248,242,987.62 to be paid to JIC as liquidated and ascertained damages;

e) the sum of RM297,035,481.00 to be paid to our Company as loss of proceeds;

f) the sum of RM50,000,000.00 together with all interests and all related costs incurred thereto pursuant to the Bank Guarantees to be refunded and/ or returned to JIC within 7 days from the date of the Court order; and

g) damages.

On 5 July 2019, STAR filed its Defence.

On 1 August 2019, STAR filed a Notice of Application for disposal of case on point of law and/ or striking out pursuant to Order 14A and Order 18 Rule 19 of the Rules of Court 2012 ("**374 Application**").

The 374 Application was heard by the Court on 19 August 2020 and was dismissed by the Court.

The Suit is fixed for trial on 19 August 2021, 20 August 2021, 26 August 2021 and 27 August 2021.

Our solicitors are confident of our Company's and JIC's chances in succeeding their claims against STAR.

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APPENDIX III – ADDITIONAL INFORMATION

1. CONSENTS

Our Principal Adviser, Managing Underwriter, Joint Underwriters, Company Secretary, Solicitors for the Rights Issue with Warrants, Share Registrar, Independent Market Researcher and Bloomberg Finance Singapore L.P. have given and have not subsequently withdrawn their written consents to the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

2. DECLARATION OF CONFLICT OF INTEREST BY KENANGA IB

As at the LPD, Kenanga IB has extended the Loan Facility of up to RM30.00 million to our Company.

For information purposes only, our Company has obtained the Loan Facility to partly finance the Subscription pending completion of the Rights Issue with Warrants. As at the LPD, in view that the Rights Issue with Warrants is expected to be completed by the fourth quarter of 2020, our Company may not drawdown from the Loan Facility to fund the remaining Subscription.

The Loan Facility extended by Kenanga IB to our Company represents 7.60% of the total borrowings of our Group as at 30 September 2020 of RM394.91 million, whereas the Loan Facility extended by Kenanga IB to our Company represents 3.32% of the audited consolidated NA of Kenanga IB as at 31 December 2019 of RM904.29 million.

Notwithstanding the above, Kenanga IB is of the opinion that concerns of any possible conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser, Managing Underwriter and Joint Underwriter to our Company for the Rights Issue with Warrants are mitigated by the following:-

i. the Loan Facility was provided by Kenanga IB on an arms' length basis and in the ordinary course of its business;

ii. the Loan Facility was extended by Kenanga IB to our Company to finance our Group's immediate funding requirements in respect of the Subscription;

iii. the corporate finance division of Kenanga IB is required under its investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, amongst others, the establishment of Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations. In any event, the team in-charge of the Rights Issue with Warrants in Kenanga IB is independent from the team handling the Loan Facility. Further, there is no involvement by the corporate finance division of Kenanga IB in respect of any credit application process undertaken by other departments within Kenanga IB;

iv. the appointment of Kenanga IB as Principal Adviser, Managing Underwriter and Joint Underwriter for the Rights Issue with Warrants is in the ordinary course of its business as a licensed investment bank; and

v. the conduct of Kenanga IB in its investment banking business is strictly regulated by the Financial Services Act 2013, the CMSA and Kenanga IB's own internal controls and checks which include, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

3. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of our Company at 802, 8th Floor, Block C, Kelana Square, 17, Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, during normal business hours from Monday to Friday (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:-

i. our Constitution;

ii. letter of undertaking by the Undertaking Shareholder;

iii. Subscription Agreement;

iv. material contracts of our Group as referred to in Section 8 of Appendix II of this Abridged Prospectus;

v. the relevant cause papers in relation to the material litigation of our Group as referred to in Section 9 of Appendix II of this Abridged Prospectus;

vi. letters of consent as referred to in Section 1 of this Appendix III; and

vii. independent market research report dated 9 October 2020 prepared by Smith Zander as referred to in Sections 7.5 and 7.6 of this Abridged Prospectus.

4. RESPONSIBILITY STATEMENT

Our Board has seen and approved the Abridged Prospectus together with the accompanying NPA and RSF. They collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make any statement herein false or misleading.

Kenanga IB, being the Principal Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.