

JAKS RESOURCES BERHAD
(COMPANY NO. 585648-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2012

THE FIGURES HAVE NOT BEEN AUDITED

The Directors are pleased to announce the 1st Quarter unaudited financial results for the financial period ended 31 January 2012.

	Individual Period		Cumulative Period	
	Current Year Quarter ended 31-Jan-2012 RM'000	Preceding Year Quarter ended 31-Jan-2011 RM'000	Current Year To-Date ended 31-Jan-2012 RM'000	Preceding Year To-Date ended 31-Jan-2011 RM'000
Revenue	80,514	76,183	80,514	76,183
Cost of Sales	(70,988)	(67,717)	(70,988)	(67,717)
Gross Profit	9,526	8,466	9,526	8,466
Other Operating Income	-	-	-	-
Other Operating, Administrative, Selling and Distribution expenses	(5,079)	(4,932)	(5,079)	(4,932)
Operating Profit / (Loss)	4,447	3,534	4,447	3,534
Finance cost	(2,900)	(2,467)	(2,900)	(2,467)
Profit / (Loss) Before Taxation	1,547	1,067	1,547	1,067
Taxation	(1,022)	(295)	(1,022)	(295)
Net Profit / (Loss) For The Period	525	772	525	772
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the Period	525	772	525	772
<u>Total Comprehensive Income for the Period</u> <u>Attributable to :</u>				
Owners of the Parent	677	865	677	865
Non-Controlling Interests	(152)	(93)	(152)	(93)
	525	772	525	772
Earnings / (Loss) Per Share attributable to Owners of the parent (sen) :				
- Basic	0.15	0.20	0.15	0.20
- Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2011 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD
(COMPANY NO. 585648-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2012

	(Unaudited) As At End Of Financial Period End 31-Jan-2012 RM'000	(Audited) As At End Of Financial Year End 31-Oct-2011 RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	96,398	96,837
Development Expenditure	80,010	77,746
Golf Club memberships	553	552
Goodwill on Consolidation	155,223	155,223
Deferred Tax Assets	10,386	10,386
	<u>342,570</u>	<u>340,744</u>
Current Assets		
Inventories	33,995	31,216
Property Development Costs	6,852	4,043
Amount due from customers for contract works	134,694	134,940
Trade and Other Receivables	97,930	97,639
Deposits placed with licensed banks	12,945	11,847
Cash and bank balances	12,025	15,698
	<u>298,441</u>	<u>295,383</u>
Total Assets	<u>641,011</u>	<u>636,127</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	438,361	438,361
Share Premium	8,369	8,369
Accumulated Losses	(10,685)	(11,362)
	<u>436,045</u>	<u>435,368</u>
Non-controlling interests	5,589	5,741
TOTAL EQUITY	<u>441,634</u>	<u>441,109</u>
Non-Current Liabilities		
Long Term Borrowings	3,175	3,051
Deferred Tax Liabilities	1,317	1,317
	<u>4,492</u>	<u>4,368</u>
Current Liabilities		
Trade and Other Payables	25,701	16,681
Tax Payable	2,453	3,255
Bank borrowings	131,692	138,876
Bank overdraft	35,039	31,838
	<u>194,885</u>	<u>190,650</u>
TOTAL EQUITY AND LIABILITIES	<u>641,011</u>	<u>636,127</u>
 Net Assets Per Share attributable to Owners of the parent (RM)	 <u>0.99</u>	 <u>0.99</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2011 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD

(COMPANY NO. 585648-T)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2012.

	Current Period-to-date ended 31-Jan-2012 RM'000	Preceding Period-to-date ended 31-Jan-2011 RM'000
Cash flows from operating activities		
Profit/ (Loss) for the period	677	865
Adjustment for:		
Depreciation and amortisation	960	818
Taxation	1,022	295
Interest expense	2,900	3,059
Interest income	-	(1)
Non-Controlling interest	(152)	(93)
Operating profit/(loss) before working capital changes	5,407	4,943
(Increase)/Decrease in working capital		
Inventories	(2,779)	(25,480)
Amount due from customers for contract works	246	(17,089)
Trade and other receivables	(227)	12,869
Development expenditure.	(2,264)	(1,797)
Property Development Expenditure	(2,809)	(1,897)
Trade and other payables	9,020	14,317
	1,187	(19,077)
	6,594	(14,134)
Interest paid	(2,753)	(2,263)
Interest received	-	1
Income tax paid	(1,889)	(583)
Net Operating Cash Flow	1,952	(16,979)
Cash flows from investing activities		
Purchase of property, plant & equipment	(522)	(615)
Net Investing Cash Flow	(522)	(615)
Cash flows from financing activities		
Interest paid	(148)	(710)
Drawdown / (Repayment) of short term borrowings	(7,212)	(3,453)
Drawdown (Repayment) of hire purchase liabilities	153	310
Drawdown / (Repayment) of bank term loans	-	1,901
Fixed Deposits held as security value	(1,098)	(324)
Net Financing Cash Flow	(8,305)	(2,276)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2012. (Cont.)**

	Current Period-to-date ended 31-Jan-2012 RM'000	Preceding Period-to-date ended 31-Jan-2011 RM'000
Net Change in Cash & Cash Equivalents	(6,875)	(19,870)
Cash & Cash Equivalents at beginning of the year	(16,139)	20,172
Cash & Cash Equivalents at end of the period	(23,014)	302

Cash and Cash Equivalents

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

Deposits placed with licensed banks	12,945	8,394
Cash & bank balances	12,025	14,094
Bank overdrafts	(35,039)	(13,792)
	(10,069)	8,696
Less : Deposit held as security values	(12,945)	(8,394)
	(23,014)	302

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2011 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD
(COMPANY NO. 585648-T)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD 31 JANUARY 2012.

	Attributable to Equity Holders of the Parent			Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	Retained Earnings/ (Accumulated Losses)		
	RM'000	RM'000	RM'000	RM'000	RM'000
Period-to-date Ended 31 January 2012.					
Balance as at 1 November 2011	438,361	8,369	(11,362)	5,741	441,109
Total Comprehensive Income for the Period	-	-	677	(152)	525
Balance as at 31 January 2012.	438,361	8,369	(10,685)	5,589	441,634
Period-to-date Ended 31 January 2011.					
Balance as at 1 November 2010	438,361	8,369	11,534	5,909	464,173
Total Comprehensive Income for the Period	-	-	865	(93)	772
Balance as at 31 January 2011.	438,361	8,369	12,399	5,816	464,945

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 October 2011 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD (*Company No. 585648-T*)

A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation.

The interim financial report is unaudited and has been prepared in compliance with FRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 October 2011.

The accounting policies and methods of computations followed by the Group in this interim financial report are consistent with those adopted in financial statements of the Group for the year ended 31 October 2011.

2. Changes in Accounting Policies

The significant accounting policies applied in the quarterly report are consistent with those adopted in the Group's audited financial statements for the financial year ended 31 October 2011 except for the adoption of the following FRSs, IC Interpretations, amendments to FRSs and IC interpretations issued by Malaysia Accounting Standard Board ("MASB") that are mandatory for the Group.

The following revised FRS, amendments/improvements to FRS, IC Interpretations and amendments to IC Interpretations that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group are as follows:-

		Effective for financial periods beginning on or after
<u>New FRS</u>		
FRS 9	Financial Instruments	1 January 2013
FRS 10	Consolidation Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosure of Interests in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013
<u>Revised FRS</u>		
FRS 124	Related Party Disclosures	1 January 2012
FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2011 and 1 January 2012
FRS 2	Share-based Payment	1 January 2011
FRS 3	Business Combinations	1 January 2011

JAKS RESOURCES BERHAD (Company No. 585648-T)

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

		Effective for financial periods beginning on or after
FRS 7	Financial Instruments : Disclosures	1 January 2011 and 1 January 2012
FRS 101	Presentation of Financial Statements	1 January 2011 and 1 January 2012
FRS 112	Deferred Tax: Recovery of Underlying Assets	1 January 2012
FRS 119	Employee Benefits	1 January 2013
FRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2011
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investments in Associates	1 January 2011
FRS 131	Investments in Joint Ventures	1 January 2011
FRS 132	Financial Instruments : Presentation	1 January 2011
FRS 134	Interim Financial Reporting	1 January 2011
FRS 139	Financial Instruments : Recognition and Measurements	1 January 2011
<u>IC Int</u>		
IC Int 4	Determining Whether an Arrangement contains a Lease	1 January 2011
IC Int 18	Transfers of Assets from Customers	1 January 2011
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
<u>Amendments to IC Int</u>		
IC Int 13	Customer Loyalty Programmes	1 January 2011
IC Int 14	Prepayments of a Minimum Funding Requirement	1 July 2011

The adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application except for the new disclosures required under the Amendments to FRS 7 and the impact of adoption of IFRS 9: Financial Instruments: Classification and Measurement.

The adoption of the first phase of IFRS 9 will primarily have an effect on the classification and measurement of the Group's financial assets. The Group is currently assessing the impact of adopting FRS 9, however, the impact of adoption depends on the assets held by the Group at the date of adoption, it is not practical to quantify the effect.

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

3. Qualification of Audit Report on Financial Statements.

The financial statements of JAKS for the financial year ended 31 October 2011 have been reported on without any audit qualification.

4. Seasonal or Cyclical Factors.

The business activities of the Group are not significantly affected by seasonal and cyclical factors except during Hari Raya and Chinese New Year festive seasons where business activities were generally lower.

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

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

6. Material changes in estimates

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

7. Issuance and Repayment of Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the financial period under review.

8. Dividend

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

JAKS RESOURCES BERHAD (Company No. 585648-T)

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

9. Segmental Information for the Financial Period Ended 31 January 2012.

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

Business Segments

	Manufacturing	Trading	Construction	Investment	Property Development	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE							
External Revenue	13,488	594	66,372	60	-	-	80,514
Inter-Company	14,228	-	8,101	1,125	-	(23,454)	-
	27,716	594	74,473	1,185	-	(23,454)	80,514
Segment Results	(856)	105	5,405	(202)	(5)		4,447
Other Income							-
Finance Cost							(2,900)
Profit Before Taxation							1,547
Taxation							(1,022)
Profit After Taxation							525
<u>Attributable to:</u>							
Owners of the parent							677
Non-Controlling Interests							(152)
							525

10. Valuation of Property, Plant & Equipment

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial statement for the year ended 31 October 2011.

JAKS RESOURCES BERHAD (Company No. 585648-T)

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

11. Subsequent Events.

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

12. Effect of Changes in the Composition of the Group

There were no changes in the composition of the Group during the period under review save as listed below:

On 12 December 2011, the Company wholly-owned subsidiary, JAKS Power Holding Limited incorporated a wholly-owned subsidiary company, JAKS-MPC (HD) Limited in British Virgin Islands with a total share capital of USD1.00.

13. Changes in Contingent Liabilities

The changes in contingent liabilities of the Group since 31 October 2011 until 31 January 2102 were as follows: -

	As at 31 January 2012 RM'000	As at 31 October 2011 RM'000
Bank guarantees issued for - execution of contracts of the Company or Subsidiaries company	<u>117,095</u>	<u>117,169</u>

14. Capital Commitment

As at 31 January 2012, Capital commitment contracted for but not provided in the financial statements amounted to RM4,475.16 million.

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

1. Review of Financial Performance.

The Group achieved revenue of RM80.5 million for the current quarter ended 31 January 2012, an increase of 6% from the previous year's corresponding quarter of RM76.2 million. The Construction division revenue increased by RM9.3 million which was mainly due to higher revenue recognition of works done for the projects. Revenue from the Manufacturing and Trading division decreased by RM2.0 million and RM2.9 million respectively following the competitive market in the steel industry.

With the increase in revenue in the Construction division, the Group had achieved a profit before tax of RM1.5 million in the current quarter as compared to a profit before tax of RM1.1 million in the preceding year's corresponding quarter. With the increased in revenue recognition, the Construction division achieved a profit before tax of RM4.1 million for the quarter under review. The Manufacturing and Investment divisions recorded a loss before tax of RM1.32 million and RM1.35 million respectively. Lower production achieved had resulted in the loss for the Manufacturing division.

2. Variation of Results against Preceding Quarter.

The Group's revenue for the current quarter of RM80.5 million represents a 14% decrease from the revenue of RM93.2 million in the preceding quarter ended 31 October 2011. The decrease was mainly due to lower revenue recognition of works and also the decreased in manufacturing sales in the current quarter as compared with preceding quarter.

For the quarter under review, the Group achieved a profit before tax of RM1.5 million. In preceding quarter, the Group had to make an adjustment arising from the adoption of FRS136 due to the goodwill impairment of RM25.9 million and this resulted in the Group's recording a loss before tax of RM24.1 million.

3. Prospects.

The Group's construction division has been the main contributor to the Group and this is expected to continue in the new financial year as construction projects are expected to gain momentum.

Barring any unforeseen circumstances, the Group expects to achieve satisfactory performance for the new financial year.

JAKS RESOURCES BERHAD (Company No. 585648-T)

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

4. Profit Forecast / Guarantee

The Company did not issue any profit forecast or guarantees.

5. Taxation

Included in the taxation are the following:

	Current Quarter Ended 31 January 2012 RM'000	Period-to-date Ended 31 January 2012 RM'000
Taxation		
- Current Year	1,023	1,023

The tax provision was based on the estimated taxable amount. The tax charge of the Group is mainly from profitable subsidiaries' taxation, and for tax purposes, cannot be utilized to set off against losses of other companies within the Group.

The deferred tax asset of the Group is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

6. Status of the Corporate Exercise

There were no corporate proposals announced but not completed as at the date of this report except as stated in Note B, Item 15 in relation to the Proposed Joint Venture.

7. Group Borrowings

Group borrowings as at 31 January 2012 including interest denominated in Ringgit Malaysia are as follows: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	131,692	-	131,692
Overdraft	35,039	-	35,039
Long term borrowings	3,175	-	3,175
Total	169,906	-	169,906

JAKS RESOURCES BERHAD (Company No. 585648-T)**B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)****8. Realised and Unrealised Profit or Loss**

The breakdown of the Group's retained profits / (accumulated losses) as at 31 January 2012 into realised and unrealised profits or losses are as follows:

	As At 31 January 2012 RM'000	As At 31 October 2011 RM'000
Retained profits / Accumulated losses		
- Realised	(69,910)	(69,965)
- Unrealised	9,068	9,068
	-----	-----
	(60,842)	(60,897)
Less : Consolidation adjustments	50,157	49,535
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	<u>(10,685)</u>	<u>(11,362)</u>

9. Notes to the statement of comprehensive income

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

Expense / (Income)	Current Period-to-date 31 January 2012 RM'000
Rental Income	(60)
Interest Income	-
Interest Expense	2,900
Depreciation and amortization	960
Provision for and write off Of receivables	-
Provision for and write off Of inventories	-
Gain or loss on disposal of property, Plant & equipment	-
Impairment of Assets	-
Foreign exchange gain or loss	-
Exceptional item	-

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

10. Material Litigation

On 19 October 2006, the Company announced that its subsidiary company, JAKS-KDEB Consortium Sdn Bhd (“JKDEB”) has on 6 October 2006 filed a civil suit against Perbadanan Urus Air Selangor Berhad (“PUAS”), Syarikat Bekalan Air Selangor Sdn Bhd (“SYABAS”) and Government of the State of Selangor Darul Ehsan (“Selangor Government”) (collectively referred as the “Defendants”) for the breach of the Supply Agreement dated 25 October 2001 (“Supply Agreement”) awarded by the Selangor Government to supply pipes and fittings in the whole State of Selangor Darul Ehsan including the Federal Territory of Kuala Lumpur and Putrajaya.

JKDEB has claimed for declarations, damages and injunctions to restrain PUAS and SYABAS from purchasing pipes and fittings all water projects being carried out in Selangor, Federal Territory of Kuala Lumpur and Putrajaya except from JKDEB and the specific performance of the Supply Agreement.

On 5 October 2011, the Kuala Lumpur High Court dismissed the action taken by JKDEB against the three defendants with cost. However, the Company has served the Notice of Appeal against the Kuala Lumpur High Court decision on 3 November 2011. The Record of Appeal was filed and served on 17 February 2012. As of to date, the appeal has not been fixed for case management nor hearing.

10. Dividend

No dividend has been declared for the quarter under review.

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

11. Earnings or Loss Per Ordinary Share

a) Basic Earnings or Loss Per Share

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

	<u>Individual Quarter</u>		<u>Cumulative Year</u>	
	Current Year Quarter 31/1/12 RM'000	Preceding Year Quarter 31/1/11 RM'000	Current Year To-date 31/1/12 RM'000	Preceding Year To-date 31/1/11 RM'000
Profit for the period attributable to owners of the Parent	677	865	677	865
Weighted average Number of Share in issue (RM1.00 each)	438,361	438,361	438,361	438,361
Basic Earnings Per Share (sen)	0.15	0.20	0.15	0.20

b) Diluted Earnings or Loss Per Share

This is not applicable, as there exists no share option, warrants or other financial instruments that will dilute or have the effect of diluting the basic earnings or loss per share.

12. Report on the 2 x 600 MW Hai Duong Thermal Power Plant Project in Vietnam.

The Company ("JAKS") announced on 17 October 2008 that it had received a letter dated 10 October 2008 from the Ministry of Industry and Trade of Vietnam ("MOIT") to prepare for submission, the Investment Project ("IP") Report for the above power plant in Hai Duong Province in Northern Vietnam ("Project"). The IP Report also includes the Environmental Impact Assessment ("EIA") Report for submission and approval of the Ministry of Natural Resources and Environment ("MONRE").

The Company appointed Institute of Energy, an Electricity of Vietnam ("EVN") owned consultancy to prepare the IP and EIA Reports, which has been submitted

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

to MOIT and MONRE respectively in August 2009. Appraisal for the IP Report has been completed by MOIT on 15 January 2010 while the EIA has been approved by MONRE in 27 February 2010.

The MOIT has also approved that the project be carried out on a Build-Own-Transfer (“BOT”) Basis and a Memorandum of Understanding (“MOU”) was signed on 13 May 2009 to this effect. Negotiations for the Principle Agreement, which sets out the common principles for all the project agreements was completed and signed on 10 July 2009.

On 8 April 2010, after intensive negotiations, the relevant authorities and Government agencies in Vietnam entered into various Memorandum of Agreements (“MOA”) with JAKS to confirm the parties agreement to the terms and conditions of the documents as follows:

- a) MOA with MOIT, in relation to the BOT Contract, where the parties confirmed their agreement on all terms of the BOT Contract except for two issues which have been identified.
- b) MOA with EVN, in relation to the Power Purchase Agreement (“PPA”) where the parties confirmed their agreement to the terms and conditions to the PPA (subject to the finalization of the BOT Contract), including without limitation the tariff stated therein.
- c) MOA with Vietnam National Coal-Mineral Industries Group (“Vinacomin”) in relation to the Coal Supply Agreement (“CSA”) where the parties confirmed their agreement to the terms and conditions to the CSA, including without limitation the coal price as stated therein.
- d) MOA with the Department of Natural Resources and Environment of Hai Duong People’s Committee, in relation to the Land Lease Agreement where the parties confirmed their agreement to the terms and conditions for the lease of the project site land.
- e) In addition, the Company also executed an MOA with China Huadian Engineering Co. Ltd (“CHEC”), in relation to the Engineering, Procurement and Construction (“EPC”) Contract where the parties confirmed their agreement to the terms and conditions for the EPC Contract.

Following the execution of the above MOAs, an application for the Investment Certificate was submitted and on 30 June 2011, The Ministry of Planning and Investment of Vietnam granted the Investment Certificate to JAKS Hai Duong to undertake the coal-fired power plant project in the province of Hai Duong, Vietnam.

On 26 August 2011, JAKS Hai Duong entered into various project agreements for the Project, the details of which are as follows:-

- a) BOT Contract with MOIT and the Government Guarantee and Undertakings Agreement with the Government of the Socialist Republic of Vietnam;
- b) Power Purchase Agreement with EVN;
- c) Coal Supply Agreement with Vinacomin; and

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

- d) Land Lease Agreement with Department of Natural Resources and Environment of Hai Duong People's Committee.

On 21 October 2011, JAKS revoked the MOA with CHEC in relation to the EPC Contract and JAKS Hai Duong entered into a new EPC Contract with a consortium consisting of China National Technical Import & Export Corporation and Tianjin Electric Power Construction Company, both of which are established under the laws of the People's Republic of China, as the Contractor.

On 6 January 2012, subject to the approval of all relevant parties, JAKS Power Holding ("JPH"), a subsidiary of the Company entered into the following agreements to reflect the Proposed Joint Venture between JPH, Meiya Power (HD) Limited ("Meiya Power") and Island Circle Investment Holding Limited ("Island Circle") to invest in a 2 X 600 Megawatt Coal-Fired Thermal Power Plant in Vietnam ("Proposed Joint Venture").

- (i) Conditional sale and purchase agreement in respect of divestment by JPH to Meiya Power of 100 Class B shares of USD1/- each representing 50% of the issued and paid up ordinary share capital of JAKS-MPC (HD) Limited ("JMHD"), for a cash consideration of USD5,000,100/-,
- (ii) Shareholders agreement between JPH, Meiya Power and JMHD to regulate their proposed relationship as shareholders of JMHD as well as certain other matters relating to the shares and management of JMHD ("JMHD SHA"); and
- (iii) Shareholders agreement between JPH, JMHD, Island Circle and JAKS Pacific Power Limited ("JPP") to regulate their proposed relationship as shareholders of JPP as well as certain other matters relating to the shares and management of JPP ("JPP SHA").

The above agreements were entered into to formalise the entry of Meiya Power and Island Circle as equity partners in the Proposed Joint Venture where upon completion of the Proposed Joint Venture, the effective equity interest of JPH, Meiya Power and Island Circle in JPP is 50%, 40% and 10% respectively.

On 29 March 2012, the shareholders at the Extraordinary General Meeting of the Company, approved the resolution for the Proposed Joint Venture. The Board will proceed next to finalize the funding proposals for this Project.

13. Authorisation for issue

The interim financial statements were authorized for issue by the Board of Directors on 29 March 2012.

Date : 29 March 2012.