

**JAKS RESOURCES BERHAD**  
**(COMPANY NO. 585648-T)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

THE FIGURES HAVE NOT BEEN AUDITED

The Directors are pleased to announce the 3rd Quarter unaudited financial results for the financial period ended 30 September 2017.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter ended 30-Sep-2017 RM'000	Preceding Year Quarter ended 30-Sep-2016 RM'000	Current Year To-date ended 30-Sep-2017 RM'000	Preceding Year To-date ended 30-Sep-2016 RM'000
Revenue	140,395	209,118	466,128	491,054
Cost of Sales	(121,921)	(179,038)	(399,628)	(419,890)
Gross Profit	18,474	30,080	66,500	71,164
Other Operating Income	140	191	8,494	5,113
Other Operating, Administrative, Selling and Distribution expenses	(480)	(11,037)	(37,549)	(36,721)
Share options expenses	-	-	(7,595)	-
Operating Profit before finance cost	18,134	19,234	29,850	39,556
Finance cost	(6,884)	(6,958)	(20,133)	(19,586)
Operating Profit after finance cost	11,250	12,276	9,717	19,970
Share of Profit / (Loss) in Joint Venture	(37)	(69)	(105)	87
Profit Before Taxation	11,213	12,207	9,612	20,057
Taxation	(1,298)	(1,696)	(1,884)	(4,469)
Net Profit For The Period	9,915	10,511	7,728	15,588
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the Period	9,915	10,511	7,728	15,588
<u>Total Comprehensive Income for the Period</u> <u>Attributable to :</u>				
Owners of the Company	9,654	13,863	19,177	24,766
Non-Controlling Interests	261	(3,352)	(11,449)	(9,178)
	9,915	10,511	7,728	15,588
Earnings / (Loss) Per Share attributable to Owners of the Company (sen) :				
- Basic	2.09	3.16	4.16	5.65
- Diluted	2.00	3.16	3.98	5.65
Weighted average number of Ordinary Shares in issue	461,308	438,361	461,308	438,361
Number of Ordinary Shares in issue	482,247	438,361	482,247	438,361

Notes :

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 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 30 SEPTEMBER 2017.**

	(Unaudited) As At End Of Financial Period End 30-Sep-2017 RM'000	(Audited) As At End Of Financial Year End 31-Dec-2016 RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant and Equipment	14,551	17,096
Investment properties	636,262	449,980
Investment in Joint Venture	127,184	127,290
Golf Club memberships	342	342
Goodwill on Consolidation	148,501	148,501
Deferred Tax Assets	2,406	2,406
Land held for Development	39,128	38,879
Other Receivables	319	1,326
	968,693	785,820
<b>Current Assets</b>		
Inventories	3,082	4,170
Property Development Costs	94,612	301,120
Amount due from customers for contract works	95,299	101,770
Trade and Other Receivables	217,576	160,951
Amount due by Joint Venture	114,976	70,351
Deposits placed with licensed banks	60,544	60,536
Cash and bank balances	46,451	41,203
	632,540	740,101
<b>Total Assets</b>	<b>1,601,233</b>	<b>1,525,921</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share Capital	505,149	438,361
Share Premium	-	8,369
Share Options Reserve	7,580	-
Translation Reserve	(236)	2,977
Accumulated Profit / (Losses)	74,355	55,178
	586,848	504,885
<b>Non-controlling interests</b>	71,155	77,704
<b>TOTAL EQUITY</b>	<b>658,003</b>	<b>582,589</b>
<b>Non-Current Liabilities</b>		
Long Term Borrowings	296,415	247,464
Deferred Tax Liabilities	172	172
	296,587	247,636
<b>Current Liabilities</b>		
Trade and Other Payables	428,126	406,941
Tax Payable	2,788	5,304
Bank borrowings	149,263	197,071
Bank overdraft	66,466	86,380
	646,643	695,696
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,601,233</b>	<b>1,525,921</b>
No of Ordinary Shares	482,247	438,361
Net Assets Per Share attributable to Owners of the parent (RM)	1.22	1.15

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 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 30 SEPTEMBER 2017.**

	Current Year 9 Months ended 30-Sep-2017	Preceding Year 9 Months ended 30-Sep-2016
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit / (Loss) before tax for the period	9,612	20,057
Adjustment for:		
Depreciation and amortisation	10,545	10,416
Interest expense	20,528	19,905
Interest income	(395)	(319)
Loss / (Gain) on disposal of property, plant & equipment	196	40
Allowance for doubtful debts no longer required	(6,945)	(4,489)
Share of (Profit) / Loss in Joint Venture	105	(87)
Unrealised (Gain) / Loss on foreign exchange	(254)	806
Share options expenses	7,595	-
Operating profit before working capital changes	40,987	46,329
(Increase)/Decrease in working capital		
Inventories	1,088	3,263
Amount due from customers for contract works	13,416	(16,804)
Trade and other receivables	(54,353)	(5,236)
Amount due from Joint Venture company	(44,625)	78,397
Property Development Expenditure	206,508	5,903
Trade and other payables	21,439	(25,592)
Land held for property development	(249)	(153)
	143,224	39,778
	184,211	86,107
Interest paid	(10,975)	(10,892)
Interest received	395	319
Income tax paid	(5,664)	(4,857)
<b>Net Operating Cash Flow</b>	167,967	70,677
<b>Cash flows from investing activities</b>		
Purchase of property, plant & equipment	(40)	(546)
Proceeds from disposal of property, plant & equipment	486	73
Proceeds from disposal of investment	-	-
Additional investment in subsidiary by minority shareholders	4,900	-
Additional investment in Joint Venture company	-	-
Increase in Fixed Deposits	-	-
Addition to investment properties	(194,924)	(4,840)
Addition to asset classified as held for sale	-	212
<b>Net Investing Cash Flow</b>	(189,578)	(5,101)
<b>Cash flows from financing activities</b>		
Net Proceeds from shares issued	58,404	-
Interest paid	(9,553)	(9,011)
Drawdown / (Repayment) of short term borrowings	(3,597)	(5,904)
Drawdown (Repayment) of hire purchase liabilities	(1,563)	(1,708)
Drawdown / (Repayment) of bank term loans	6,303	(43,953)
Withdrawal / (Placement) of Fixed Deposits	(7)	(15,219)
<b>Net Financing Cash Flow</b>	49,987	(75,795)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017. (Cont.)**

	Current Year 9 Months ended 30-Sep-2017	Preceding Year 9 Months ended 30-Sep-2016
	RM'000	RM'000
<b>Net Change in Cash &amp; Cash Equivalents</b>	28,376	(10,219)
<b>Cash &amp; Cash Equivalents at beginning of the year</b>	(46,370)	(48,469)
<b>Translation Reserve</b>	(3,213)	-
<b>Cash &amp; Cash Equivalents at end of the period.</b>	(21,207)	(58,688)

**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	60,544	56,588
Cash & bank balances	46,451	23,157
Bank overdrafts	(66,466)	(71,980)
	40,529	7,765
Less : Deposit held as security values	(60,544)	(56,588)
Debt service reserves account	(1,192)	(9,865)
	(21,207)	(58,688)

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 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 ENDED 30 SEPTEMBER 2017.**

	Attributable to Equity Holders of the Company						Non-Controlling Interest	Total Equity
	Non-Distributable				Distributable			
	Share Capital	Share Premium	Share Options Reserve	Translation Reserve	Retained Earnings	Sub-Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Current Year</b>								
<b>Quarter ended</b>								
<b>30 September 2017.</b>								
<b>Balance as at</b>								
<b>1 January 2017</b>	438,361	8,369	-	2,977	55,178	504,885	77,704	582,589
Total Comprehensive Income for the Period	-	-	-	-	19,177	19,177	(11,449)	7,728
Foreign currency translation	-	-	-	(3,213)	-	(3,213)	-	(3,213)
Issuance of ordinary shares								
Private placement	59,617	-	-	-	-	59,617	-	59,617
Private placement expenses	(1,283)	-	-	-	-	(1,283)	-	(1,283)
LTIP shares	70	-	-	-	-	70	-	70
Fair Value of LTIP shares upon exercised	15	-	-	-	-	15	-	15
Share options issued	-	-	7,595	-	-	7,595	-	7,595
Reversal Fair Value of LTIP shares from Share option reserves	-	-	(15)	-	-	(15)	-	(15)
Transfer from share premium	8,369	(8,369)	-	-	-	-	-	-
Additional investment in subsidiary by Minority shareholders.	-	-	-	-	-	-	4,900	4,900
<b>Balance as at</b>								
<b>30 September 2017.</b>	505,149	-	7,580	(236)	74,355	586,848	71,155	658,003
<b>Preceding Year</b>								
<b>Quarter ended</b>								
<b>30 September 2016.</b>								
<b>Balance as at</b>								
<b>1 January 2016</b>	438,361	8,369	-	-	54,382	501,112	94,913	596,025
Total Comprehensive Income for the Period	-	-	-	-	24,766	24,766	(9,178)	15,588
<b>Balance as at</b>								
<b>30 September 2016.</b>	438,361	8,369	-	-	79,148	525,878	85,735	611,613

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 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 December 2016.

The accounting policies and methods of computations followed by the Group in this interim financial report are consistent with those adopted in financial statements of the Group for the year ended 31 December 2016, except for the adoption of the relevant new FRSs, amendments to FRSs and 1C Interpretations that are effective and not yet adopted. The adoption of the new FRSs, amendments to FRSs and 1C Interpretations does not have any material impact on the financial position and results of the Group.

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new approved accounting framework, the Malaysian Financial Reporting Standards (“MFRSs Framework”).

The MFRSs Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of *MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for Construction of Real Estate*, including the entities parent, significant investor and venturer (referred to as “Transitioning Entities” collectively).

On 8 September 2015, MASB confirmed the effective date of MFRS 15 Revenue from Contracts with Customer will be deferred to annual periods beginning on or after 1 January 2018. However, early application of MFRS 15 is still permitted. MFRS 15 was issued in September 2014 with the original effective date of 1 January 2017.

The Company falls within the scope definition of Transitioning Entities and accordingly, will prepare its first set of MFRSs financial statements for the financial year ending 31 December 2018.

#### **2. Qualification of Audit Report on Financial Statements.**

The financial statements of JAKS for the financial year ended 31 December 2016 have been reported on without any audit qualification.

#### **3. Seasonal or Cyclical Factors.**

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

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

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

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

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

#### 5. Material changes in estimates.

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

#### 6. Issuance and Repayment of Debt and Equity Securities.

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the financial year under review save as listed below:

##### a) Private Placement

On 24 March 2017, 43,836,100 ordinary shares were issued under the proposed private placement at an issue price of RM1.36 per ordinary share.

The status of utilisation of proceeds as at 30 September 2017 is as follows.

Proposed utilisation of proceeds	Proceeds raised RM'000	Utilised as at 30/9/2017 RM'000	Timeframe for utilisation
On-going projects undertaken by JRB and its subsidiaries ("JRB Group" or "Group")	34,000	34,000	Within 12 months
Working capital	24,326	24,326	Within 6 months
Estimated expenses relating to the Proposed Private Placement	1,291	1,291	Within 3 months
	59,617	59,617	

##### b) Long Term Incentive Plan ("LTIP")

On 24 May 2017, 24,500,000 share options under the LTIP were granted to eligible directors and employees of the Group at an exercise price of RM1.40.

As at 30 September 2017, 50,000 of the LTIP share options granted were exercised.

#### 7. Dividend.

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

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

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

**8. Segmental Information for the Financial Period Ended 30 September 2017.**

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

Business Segments.

	Construction RM'000	Property Development & Investment RM'000	Trading & Manufacturing RM'000	Investment RM'000	Elimination RM'000	Total RM'000
REVENUE						
External Revenue	369,166	92,401	4,561	-	-	466,128
Inter-Company	58,645	192,000	6,865	4,500	(262,010)	-
	427,811	284,401	11,426	4,500	(262,010)	466,128
Segment Results	45,304	(13,880)	454	(10,522)		21,356
Other Income						8,494
Finance Cost						(20,133)
Profit After Finance cost						9,717
Share of Loss in Joint Venture						(105)
Profit before Taxation						9,612
Taxation						(1,884)
Profit After Taxation						<u>7,728</u>
Attributable to : Owners of the Company						19,177
Non-Controlling Interests						(11,449)
						<u>7,728</u>

The Group's revenue for the third quarter ended 30 September 2017 based on geographical location is presented as follows:

	RM'000
Malaysia	318,498
Vietnam	147,630
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Total	<u>466,128</u>
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**A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)**

**9. Valuation of Property, Plant & Equipment.**

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial statement for the year ended 31 December 2016.

**10. 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.

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

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

On 29 March 2017, a wholly owned subsidiary of the Company, JAKS Sdn Bhd (“JSB”) had acquired 51 ordinary shares, representing 51% equity interest of the enlarged share capital in a new company, Fortress Pavilion Sdn Bhd (“FPSB”) at a cash consideration of RM51.

On 9 August 2017, JSB increased an additional 5,099,949 shares in FPSB, representing 51% equity interest of the enlarged share capital of 10 million. As at 30 September, JSB’s investment in FPSB is 5,100,000 shares.

**12. Changes in Contingent Liabilities.**

The changes in contingent liabilities of the Group since 31 December 2016 until 30 September 2017 were as follows: -

	As at 30 Sep 2017 RM'000	As at 31 Dec 2016 RM'000
Bank guarantees issued for execution of contracts of the Company or Subsidiaries company	139,916	149,876
Guarantees given to suppliers of goods for credit terms granted to subsidiaries	2,000	2,000
Liquidated and ascertained damages	20,783	-
	<u>162,699</u>	<u>151,876</u>

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

**13. Material Commitment**

Save as disclosed below, there are no material commitments incurred or known to be incurred by the Group that has not been provided for, which upon becoming enforceable, may have a material impact on the financial results/position of the Group:-

Capital contribution contracted but not provided for in respect of shares subscription in JAKS Pacific Power Limited, joint venture of the Group amounted to approximately USD110.14 million or RM465.62 million, using exchange rate of USD1 : RM4.2275.

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

**1. Review of Financial Performance.**

	Current Year Quarter ended 30/9/2017 RM'000	Preceding Year Quarter Ended 30/9/2016 RM'000	Changes %	Current Year To-date Ended 30/9/2017 RM'000	Preceding Year To-date Ended 30/9/2016 RM'000	Changes %
<u>Revenue</u>						
Construction	117,299	154,718	(24)	369,166	354,984	4
Property Development & Investment	21,778	43,079	(49)	92,401	113,673	(19)
Trading & Manufacturing	1,318	11,321	(88)	4,561	22,397	(79)
Investment	-	-	-	-	-	-
Total	140,395	209,118	(33)	466,128	491,054	(5)
<u>Profit/(Loss) Before Taxation</u>						
Construction	12,151	21,116	(42)	39,342	39,009	1
Property Development & Investment	1,003	(6,305)	116	(22,880)	(16,896)	(35)
Trading & Manufacturing	(95)	(816)	88	(1,089)	584	(286)
Investment	(1,846)	(1,787)	(3)	(5,760)	(2,640)	(118)
Total	11,213	12,207	(8)	9,612	20,057	(52)

The Group achieved revenue of RM140.4 million for the current quarter ended 30 September 2017, a decrease of approximately 33% from the previous year's corresponding quarter of RM209.1 million. The decrease was mainly attributable to the higher initial works done from the Vietnam EPC construction work in the preceding year quarter in the Construction division. In addition, Property Development & Investment's revenue in the current quarter review was affected by the slowdown in the property market environment. There was minimal revenue contribution from the Trading & Manufacturing divisions in the quarter under review as the Group ceased its manufacturing activities and realign its focus on the Construction and Property Development activities.

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

The Group achieved a profit before tax of RM11.2 million in the current year's third quarter as compared to a profit before tax of RM12.2 million in the previous year's corresponding quarter. The Construction division recorded profit before tax of RM12.1 million as compared to RM21.1 million achieved in the preceding year corresponding quarter. The lower profit before tax was in line with the lower revenue recognised in the current year quarter.

The Property Development & Investment division achieved a profit before tax of RM1.0 million in the quarter under review as compared to a loss before tax of RM6.3 million in the third quarter of 2016. The Group reversed RM18.1 million on the provision made for the liquidated and ascertained damages in this current quarter as the amount was reclassified to contingent liability pending the finalisation of the final settlement accounts in relation to the ongoing project. There are no significant changes to the results of the Investment division incurred in the current quarter as compared to preceding year corresponding quarter. The current year quarter results for the Trading & Manufacturing divisions improved as compared to previous year corresponding quarter as there are lower overheads incurred.

For the 9 months financial period ended 30 September 2017, the Group achieved revenue of RM466.1 million and profit before tax of RM9.6 million. The Construction division was the key contributor with revenue of RM369.1 million and profit before tax of RM39.3 million of which RM147.6 million revenue and RM35 million profits were derived from the Vietnam EPC construction works. For the 9 months under review, the Group achieved profit before tax of RM9.6 million as compared to RM20.1 million recorded in the preceding year corresponding period. The Group's current year financial results was affected by the competitive pricing on units properties sold, slowdown in the property market coupled with the high operating expenses, depreciation charge and financing expenses to operate the mall.

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

	Current Year Quarter 1/7/17-30/9/17 <u>RM'000</u>	Immediate Preceding Quarter 1/4/17 – 30/6/17 <u>RM'000</u>	Changes <u>%</u>
Revenue	140,395	170,945	(18)
Profit/(Loss) before tax	11,213	(4,559)	345

The Group achieved RM140.4 million revenue for the current quarter, a decrease of approximately 18% from the revenue of RM170.9 million in the preceding quarter ended 30 June 2017. The Group reversed RM18.1 million on the provision made for the liquidated and ascertained damages in this current quarter as the amount was reclassified to contingent liability pending the finalisation of the final settlement accounts in relation to the ongoing project and this have improved the Group's results for the current quarter. As such, the Group achieved a profit before tax of RM11.2 million in the current quarter as compared to a loss before tax of RM4.6 million in the second quarter of the year.

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

**3. Prospects.**

With the existing order book in hand on jobs from the domestic market and Vietnam venture, the Group's Construction division is expected to perform satisfactorily as the progress of work moves according to schedule.

The property market remains challenging on the back of the slower economic momentum, due to the weaker purchasing sentiment coupled with the tighter lending from banks that impacts both the sales of commercial and residential units of the Property Development division. However, contribution from improved construction earnings, in particular the Vietnam operations will help to soften the impact.

Barring any adverse developments, the Group will endeavor to improve its present performance in the current year.

**4. Profit Forecast / Guarantee.**

The Company did not issue any profit forecast or guarantees.

**5. Taxation.**

Included in the taxation are the following:

	Current Quarter Ended 30 Sep 2017 RM'000	Year-to-date Ended 30 Sep 2017 RM'000
Taxation	1,298	1,884
	=====	=====

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

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

**6. Group Borrowings.**

Group borrowings as at 30 September 2017 including interest denominated in Ringgit Malaysia are as follows: -

	<u>Secured</u> <u>RM'000</u>	<u>Unsecured</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Short term borrowings	201,263	-	201,263
Overdraft	66,466	-	66,466
Long term borrowings	244,415	-	244,415
Total	<u>512,144</u>	<u>-</u>	<u>512,144</u>

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

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

**7. Realised and Unrealised Profit or Loss.**

The breakdown of the Group's retained profits as at 30 September 2017 into realised and unrealised profits /(loss) are as follows:

	As At 30 Sep 2017 RM'000	As At 31 Dec 2016 RM'000
Retained profits		
- Realised	78,011	58,834
- Unrealised	(3,656)	(3,656)
	<hr/>	<hr/>
	74,355	55,178
	<hr/> <hr/>	<hr/> <hr/>

**8. Notes to the statement of comprehensive income.**

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

	Current Year-to-date Ended 30 Sep 2017 RM'000
<u>Expenses</u>	
Interest Expense	20,528
Depreciation and Amortisation	10,545
Loss on disposal of property, plant & equipment	196
Share of Loss in Joint Venture	105
LTIP expenses	7,595
Liquidated and ascertained damages	13,658
Reversal of Liquidated and ascertained damages	(18,071)
<u>Income</u>	
Interest Income	395
Unrealised gain on foreign exchange	254
Allowance for doubtful debts no longer required	6,945

**9. Material Litigation.**

The Group is not engaged in any material litigation other than those carried out in the ordinary course of business on recovery of debts.

**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/ (Loss) Per Ordinary Share**

**a) Basic Earnings Per Share**

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

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter Ended 30/9/17 RM'000	Preceding Year Quarter Ended 30/9/16 RM'000	Current Year To-date Ended 30/9/17 RM'000	Preceding Year To-date Ended 30/9/16 RM'000
Profit for the period attributable to owners of the Company	9,654	13,863	19,177	24,766
Weighted average Number of Share in issue (RM1.00 each)	461,308	438,361	461,308	438,361
Basic Earnings Per Share (sen)	2.09	3.16	4.16	5.65

**b) Diluted Earnings Per Share**

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter Ended 30/9/17 RM'000	Preceding Year Quarter Ended 30/9/16 RM'000	Current Year To-date Ended 30/9/17 RM'000	Preceding Year To-date Ended 30/9/16 RM'000
<u>Diluted</u> Profit for the period attributable to owners of the Company	9,654	13,863	19,177	24,766
Weighted average Number of Share in issue (RM1.00 each)	461,308	438,361	461,308	438,361
Effect of dilution due to issuance of private placement and LTIP	20,939	-	20,939	-
Adjusted weighted average Number of Share in issue applicable to diluted earnings per share (RM1.00 each)	482,247	438,361	482,247	438,361
Diluted Earnings Per Share (sen)	2.00	3.16	3.98	5.65

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

**12. Status of the Corporate Exercise**

There were no corporate proposals announced but not completed as at the date of this report save as listed below:

- a) On 1 August 2017, 17 August 2017 and 24 August 2017, the Group announced that Premier Place Property Sdn Bhd (“PPP”), a wholly-owned subsidiary of JAKS, has on 31 July 2017, entered into an agreement (“Agreement”) with Sunway Supply Chain Enterprise Sdn Bhd (“SSCE”), a wholly-owned subsidiary of Sunway Holdings Sdn Bhd which in turn is a wholly-owned subsidiary of Sunway Berhad (“Sunway”) whereby PPP and SSCE or its related corporation agree to execute a sale and purchase agreement (“SPA”) within 21 days from the date of the Agreement or such extended time period as the parties shall mutually agree in writing to dispose the following 4 parcels of freehold land totalling approximately 5.988 hectares or 644,576 square feet for a total cash consideration of RM167,589,760 (excluding Goods and Services tax):

(i) Geran Mukim 85 Lot 526, Tempat Sungei Penaga, Mukim Damansara, Daerah Petaling, Negeri Selangor measuring approximately 1.214 hectares or 130,674 square feet (“Land 1”);

(ii) Geran Mukim 84 Lot 527, Tempat Sungei Penaga, Mukim Damansara, Daerah Petaling, Negeri Selangor measuring approximately 1.214 hectares or 130,674 square feet (“Land 2”);

(iii) Geran Mukim 83 Lot 528, Tempat Sungei Penaga, Mukim Damansara, Daerah Petaling, Negeri Selangor measuring approximately 1.214 hectares or 130,674 square feet (“Land 3”); and

(iv) Geran Mukim 319 Lot 62506, Tempat Sungai Penaga, Pekan Subang Jaya, Daerah Petaling, Negeri Selangor measuring approximately 2.346 hectares or 252,554 square feet (“Land 4”).

The proposed disposal is currently pending the approval of the authorities and shareholders.

- b) On 2 October 2017, the Group announced that JAKS has entered into a sale and purchase agreement with Hectare Square Sdn Bhd (“HSSB”) to dispose a piece of freehold industrial land measuring approximately 1.214 hectares or 130,674 square feet held under individual title GM 110, Lot 541, Tempat Sungai Penaga, Mukim Damansara, Daerah Petaling, Negeri Selangor (“Land”) together with a one storey factory building erected thereon (“Building”) bearing the postal address of Lot 541, Jalan Subang 2, Taman Industri Sungai Penaga, 47620 Petaling Jaya, Selangor Darul Ehsan (the Land and Building shall collectively be referred to as “the Property”) for a total cash consideration of RM25,873,452 (excluding Goods and Services tax).

The proposed disposal is currently pending completion.



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

- c) On 9 August 2017, the Group announced that the Company's subsidiaries, JAKS Island Circle Sdn. Bhd. ("JIC") and Fortress Pavilion Sdn. Bhd. ("FPSB") have undertaken an internal reorganisation whereby, JIC had entered into a Sale and Purchase Agreement with FPSB for the sale of Pacific Star Business Hub situated at Section 13, Petaling Jaya for a total consideration of RM240,000,000 (excluding Goods and Services tax).

**13. Authorisation for issue.**

The interim financial statements were authorised for issue by the Board of Directors on 21 November 2017.