

JAKS RESOURCES BERHAD
REGISTRATION NO. 200201017985 (585648-T)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

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 2022.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter ended 30-Sep-2022	Preceding Year Quarter ended 30-Sep-2021	Current Year To-date ended 30-Sep-2022	Preceding Year To-date ended 30-Sep-2021
	RM'000	RM'000	RM'000	RM'000
Revenue	16,380	30,555	43,944	89,600
Cost of Sales	(14,524)	(23,766)	(39,297)	(72,927)
Gross Profit	1,856	6,789	4,647	16,673
Other Operating Income	625	773	1,858	1,517
Other Operating, Administrative Expenses	(27,527)	(18,129)	(57,015)	(45,469)
Operating Loss before finance cost	(25,046)	(10,567)	(50,510)	(27,279)
Finance cost	(5,689)	(5,329)	(16,767)	(16,723)
Operating Loss after finance cost	(30,735)	(15,896)	(67,277)	(44,002)
Share of Profit in Joint Venture	46,524	43,362	110,017	110,701
Profit/(Loss) Before Taxation	15,789	27,466	42,740	66,699
Taxation	(137)	(67)	(504)	(491)
Net Profit/(Loss) For The Period	15,652	27,399	42,236	66,208
Other Comprehensive Income / (Loss)				
Foreign currency translation	-	-	-	-
Total Comprehensive Income/(Loss) for the Period	15,652	27,399	42,236	66,208
<u>Net Profit/(Loss) For The Period Attributable to :</u>				
Owners of the Company	20,343	31,852	56,743	80,404
Non-Controlling Interests	(4,691)	(4,453)	(14,507)	(14,196)
	15,652	27,399	42,236	66,208
Earnings/(Loss) Per Share attributable to				
Owners of the Company (sen) :				
- Basic	1.00	1.72	2.78	4.34
- Diluted	1.00	1.59	2.78	4.01
Weighted average number of				
Ordinary Shares in issue	2,044,124	1,854,698	2,044,124	1,854,698
Weighted average number of				
Ordinary Shares in issue (diluted)	2,044,297	2,007,096	2,044,297	2,007,096

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 2021 and the accompanying notes attached to the interim financial statements.

JAKS RESOURCES BERHAD
REGISTRATION NO. 200201017985 (585648-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

	(Unaudited)	(Audited)
	As At	As At
	End Of	End Of
	Financial	Financial
	Period End	Year End
	30-Sep-2022	31-Dec-2021
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	198,680	104,214
Investment properties	595,924	606,138
Investment in Joint Venture	824,737	714,720
Golf Club memberships	303	303
Goodwill on Consolidation	52,500	52,500
Right of use of Assets	404	555
	<u>1,672,548</u>	<u>1,478,430</u>
Current Assets		
Inventories	483	483
Contract assets	212,448	207,776
Trade and Other Receivables	344,196	344,366
Amount due from Joint Venture	10,270	10,270
Deposits placed with licensed banks	43,045	55,196
Cash and bank balances	40,058	88,719
	<u>650,500</u>	<u>706,810</u>
Total Assets	2,323,048	2,185,240
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	1,073,312	1,061,612
Reserves	21,960	22,037
Accumulated Profit	313,945	257,096
	<u>1,409,217</u>	<u>1,340,745</u>
Non-controlling interests	(53,816)	(39,309)
TOTAL EQUITY	1,355,401	1,301,436
Non-Current Liabilities		
Long Term Borrowings	302,160	306,209
Deferred Tax Liabilities	87	87
	<u>302,247</u>	<u>306,296</u>
Current Liabilities		
Trade and Other Payables	490,139	511,419
Bank borrowings	164,598	59,846
Bank overdraft	10,663	6,243
	<u>665,400</u>	<u>577,508</u>
TOTAL EQUITY AND LIABILITIES	2,323,048	2,185,240
No of Ordinary Shares	2,087,318	2,042,318
Net Assets Per Share attributable to Owners of the parent (RM)	<u>0.68</u>	<u>0.66</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	Current Year 9 Months ended 30-Sep-2022 RM'000	Preceding Year 9 Months ended 30-Sep-2021 RM'000
Cash flows from operating activities		
Profit / (Loss) before tax for the period	42,740	66,699
Adjustment for:		
Depreciation and amortisation	11,762	11,754
Interest expense	16,767	16,723
Interest income	(684)	(106)
Share of Profit in Joint Venture	(110,017)	(110,701)
Allowance for impairment of receivables	6,927	-
Long Term Incentive Plan ("LTIP") expenses	13,980	6,462
Operating profit/ (loss) before working capital changes	(18,525)	(9,169)
(Increase)/Decrease in working capital		
Contract assets	(4,672)	38,722
Trade and other receivables	(6,678)	(9,771)
Trade and other payables	(18,763)	(62,252)
	(30,113)	(33,301)
Net Cash generated from / (used in) Operating activities	(48,638)	(42,470)
Interest paid	(5,942)	(5,943)
Income tax paid	(2,949)	(2,738)
Net Operating Cash Flow	(57,529)	(51,151)
Cash flows from / (used in) investing activities		
Purchase of property, plant & equipment	(96,014)	(143)
Interest received	684	106
Additional investment in Joint Venture company	-	(89,779)
Decrease / (Increase) in deposits pledged	(7,753)	1,699
Net Investing Cash Flow	(103,083)	(88,117)
Cash flows from / (used in) financing activities		
Proceeds from issuance of share capital	-	136,614
Interest paid	(10,825)	(10,780)
Drawdown / (Repayment) of short term borrowings	104,752	(34,659)
Drawdown (Repayment) of lease liabilities	(49)	-
Drawdown / (Repayment) of bank term loans	(4,000)	-
Share issuance expenses	106	(5,821)
Net Financing Cash Flow	89,984	85,354

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022. (Cont.)**

	Current Year 9 Months ended 30-Sep-2022	Preceding Year 9 Months ended 30-Sep-2021
	RM'000	RM'000
Net Change in Cash & Cash Equivalents	(70,628)	(53,914)
Cash & Cash Equivalents at beginning of the year	78,605	116,534
Translation Reserve	(2,357)	(692)
Cash & Cash Equivalents at end of the period.	5,620	61,928

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	43,045	44,380
Cash & bank balances	40,058	71,904
Bank overdrafts	(10,663)	(6,200)
	72,440	110,084
Less : Deposit held as security values	(43,045)	(44,380)
Bank balance held as security values	(19,904)	-
Debt service reserves account	(3,871)	(3,776)
	5,620	61,928

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD
REGISTRATION NO. 200201017985 (585648-T)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	Attributable to Equity Holders of the Company							Non-Controlling Interest RM'000	Total Equity RM'000
	Non-Distributable					Distributable			
	Share Capital RM'000	Share Options Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Sub-Total RM'000		
Current Year Quarter ended 30 September 2022									
Balance as at 1 January 2022	1,061,612	9,038	238,089	(215,482)	(9,608)	257,096	1,340,745	(39,309)	1,301,436
Total Comprehensive Income for the Period	-	-	-	-	-	56,743	56,743	(14,507)	42,236
Foreign currency translation	-	-	-	-	(2,357)	-	(2,357)	-	(2,357)
Issuance of ordinary shares									
Reversal rights issue expenses	-	-	-	-	-	106	106	-	106
Share options granted under LTIP	-	2,280	-	-	-	-	2,280	-	2,280
Issuance of shares under share grant plan	11,700	-	-	-	-	-	11,700	-	11,700
Balance as at 30 September 2022	1,073,312	11,318	238,089	(215,482)	(11,965)	313,945	1,409,217	(53,816)	1,355,401
Preceding Year Quarter ended 30 September 2021									
Balance as at 1 January 2021	924,998	2,576	244,027	(221,420)	(16,508)	210,276	1,143,949	(16,416)	1,127,533
Total Comprehensive Income for the Period	-	-	-	-	-	80,404	80,404	(14,196)	66,208
Foreign currency translation	-	-	-	-	(692)	-	(692)	-	(692)
Issuance of ordinary shares									
LTIP option expenses	-	-	-	-	-	(5,821)	(5,821)	-	(5,821)
Exercise of warrant	136,614	-	(2)	2	-	-	136,614	-	136,614
Share options granted under LTIP	-	6,462	-	-	-	-	6,462	-	6,462
Balance as at 30 September 2021	1,061,612	9,038	244,025	(221,418)	(17,200)	284,859	1,360,916	(30,612)	1,330,304

(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 2021 and the accompanying notes attached to the interim financial statements).

A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation.

The interim financial statements are unaudited and have been prepared in compliance with FRS 134 “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2021.

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 2021.

2. Qualification of Audit Report on Financial Statements.

The financial statements of JAKS for the financial year ended 31 December 2021 have been reported on without any audit qualification.

3. Seasonal or Cyclical Factors.

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

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

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

5. Material changes in estimates.

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

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

6. Issuance and Repayment of Debt and Equity Securities.

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the financial period under review and up to 18 November 2022, save as listed below:

Private Placement

On 31 May 2021, the Company announced to undertake the Proposed Private Placement of up to 552,787,900 new Ordinary Shares in JRB, representing up to 20% of the total number of issued shares of JRB (assuming all outstanding Warrants B, Warrants C and LTIP Options are exercised, and additional LTIP Options are granted and exercised as of 24 May 2021, being the latest practicable date of the said announcement).

On 21 June 2021, the Company fixed the issue price for the Private Placement of 272,667,000 Placement Shares, representing approximately 15.41% of the existing issued share capital, at RM0.4750 per Placement Share ("First Tranche"). The issue price of RM0.4750 per Placement Share represents a discount of RM0.0473 or approximately 9.06% to the 5-day VWAMP of JRB Shares up to and including 18 June 2021 of RM0.5223 per JRB Share.

On 1 July 2021, the First Tranche was completed with the listing and quotation of 272,667,000 Ordinary Shares on the Official List of Bursa Securities, raising total proceeds of approximately RM129.52 million. Subsequently, on 31 December 2021, the Private Placement has been completed with no further issuance of placement shares after the First Tranche.

The status of utilisation of proceeds as of 18 November 2022 is as follows.

Proposed utilisation of proceeds	Proceeds raised RM'000	Utilised as at 18.11.2022 RM'000	Timeframe for utilisation
(i) Solar project	50,000	50,000	Within 24 months
(ii) Working capital requirements	47,077	47,077	Within 12 months
(iii) Capital expenditure for Evolve Concept Mall	5,000	5,000	Within 24 months
(iv) Acquisitions	22,405	22,405	Within 24 months
(v) Estimated expenses for the Private Placement	5,035	5,035	Immediate
	129,517	129,517	

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

7. Dividend.

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

8. Segmental Information for the Financial Period Ended 30 September 2022.

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

Business Segments.

	Construction RM'000	Property Investment RM'000	Investment Holding & Others RM'000	Elimination RM'000	Total RM'000
REVENUE					
External Revenue	37,739	6,205	-	-	43,944
Inter-Company	-	-	6,217	(6,217)	-
	37,739	6,205	6,217	(6,217)	43,944
Segment Results	(19,027)	(15,210)	(18,131)		(52,368)
Other Income					1,858
Loss Before Finance Cost					(50,510)
Finance Cost					(16,767)
Loss After Finance cost					(67,277)
Share of Profit in Joint Venture					110,017
Profit Before Taxation					42,740
Taxation					(504)
Profit After Taxation					42,236
<u>Attributable to:</u> Owners of the Company					56,743
Non-Controlling Interests					(14,507)
					42,236

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

The Group's revenue for the financial period ended 30 September 2022 based on geographical location is presented as follows:

	RM'000
Malaysia	43,944
Vietnam	-

Total	43,944
	=====

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 2021.

10. Significant Events.

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

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

There were no changes in the composition of the Group during the period under review.

12. Changes in Contingent Liabilities.

The changes in contingent liabilities of the Group since 31 December 2021 until 30 September 2022 were as follows: -

	As at 30 Sep 2022 RM'000	As at 31 Dec 2021 RM'000
Bank guarantees issued for execution of contracts of the Company or Subsidiaries company	91,652	57,219
	=====	=====

13. Material Commitment.

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.

JAKS RESOURCES BERHAD*REGISTRATION NO. 200201017985 (585648-T)***B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)****1. Review of Financial Performance.**

a) Revenue.

Segment	Current Year Quarter Ended 30/9/2022 RM'000	Preceding Year Quarter Ended 30/9/2021 RM'000	Changes %	Current Year To-date Ended 30/9/2022 RM'000	Preceding Year To-date Ended 30/9/2021 RM'000	Changes %
Construction	14,389	28,573	(50)	37,739	83,640	(55)
Property Investment	1,991	1,876	6	6,205	5,677	9
Investment Holding & Others	-	106	(100)	-	283	(100)
Total	16,380	30,555	(46)	43,944	89,600	(51)

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

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

b) Profit / (Loss) Before Tax

Segment	Current Year Quarter Ended 30/9/2022 RM'000	Preceding Year Quarter Ended 30/9/2021 RM'000	Changes %	Current Year To-date Ended 30/9/2022 RM'000	Preceding Year To-date Ended 30/9/2021 RM'000	Changes %
Construction	(6,147)	110	(5,688)	(19,130)	(962)	(1,889)
Property Investment	(9,577)	(9,087)	(5)	(29,608)	(28,967)	(2)
Investment Holding & Others	(15,011)	(6,919)	(117)	(18,539)	(14,073)	(32)
Share of Profit in Joint Venture	46,524	43,362	7	110,017	110,701	(1)
	31,513	36,443	(14)	91,478	96,628	(5)
Total	15,789	27,466	(43)	42,740	66,699	(36)

The Group achieved revenue of RM16.4 million in the current quarter ended 30 September 2022, compared to the revenue of RM30.5 million in the same quarter of the previous year. With the various construction works at the tail end, the billing amount has reduced, resulting in a lower revenue to the Group. The stronger share of profit in the Vietnam joint venture of RM46.5 million in the quarter under review assisted to buffer the losses of the other operating divisions and the Group recorded a profit before tax of RM15.8 million, compared to RM27.5 million achieved in the previous year's corresponding quarter.

JAKS RESOURCES BERHAD

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

The Construction division contributed lower revenue of RM14.4 million (Q3 2021: RM28.6 million) and recorded a loss before tax of RM6.1 million in the current quarter compared to a profit before tax of RM0.1 million in the previous year's corresponding quarter. Most of the Vietnam and local construction works are near completion and hence lower revenue was recognised in the third quarter of 2022. The loss incurred in the current quarter was attributed to lower revenue and the higher operating expense for local construction works. The profit of RM0.1 million in the third quarter of 2021 was mainly contributed by the Vietnam EPC construction works that achieved profit before tax of RM4.4 million.

The Property Investment division contributed slightly higher revenue of RM2.0 million as compared to RM1.9 million achieved in the previous year's corresponding quarter in line with the lifting of the Movement Control Order ("MCO") and re-opening of businesses. This division recorded a loss before tax of RM9.6 million as compared to a loss before tax of RM9.1 million in the third quarter of 2021 as fixed operating expenses could not be defrayed.

The Investment Holding & Others division, including the Share of Profit in joint venture recorded a profit before tax of RM31.5 million in the quarter under review, a decrease of 14% from the profit achieved in the preceding year's corresponding quarter. In the third quarter under review, the Company had incurred RM14.0 million from the issuance of Long Term Incentive Plan ("LTIP").

2. Variation of Results against Preceding Period.

	Current Year Quarter 1/7/22-30/9/22 <u>RM'000</u>	Immediate Preceding Quarter 1/4/22 – 30/6/22 <u>RM'000</u>	Changes %
Revenue	16,380	9,719	69
Profit before tax	15,789	10,489	51

The Group recorded a higher revenue of RM16.4 million in the current quarter, compared to a revenue of RM9.7 million in the preceding quarter ended 30 June 2022. The Group recorded a higher profit before tax of RM15.8 million in the current quarter as compared to RM10.5 million achieved in the preceding quarter ended 30 June 2022. The higher profit was mainly due to higher share of profit of RM46.5 million in the third quarter in the Vietnam joint venture, (Q2 2022: RM29.6 million).

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

3. Prospects.

The Group's Power & Energy division will be the key contributor for the remaining period of 2022 with the recurring share of profits from the JAKS Hai Duong Vietnam joint venture. The large scale solar photovoltaic plants ("LSS4") renewable energy project in Seberang Prai, Penang is proceeding as scheduled for completion in the first quarter of 2023, after which this project will start contributing to the Group. With the global shift towards more sustainable development, the Group is strategically aligned to capture more opportunities in the Environmental Social and Governance ("ESG") related business, particularly in the Renewable Energy space.

The Construction division is faced with competitive bidding and negotiation for new construction projects. The rising prices of construction material and labour shortages has put this division on the alert to look out for projects that has sufficient margins and that accommodates inflationary pressures. This division is working on various plans to replenish its order book.

Footfall at shopping malls across the country has picked up since Covid-19 restrictions were eased last year. This augurs well for the Group's investment properties and this division has been able to attract new tenants. This division will continue its efforts to improve the occupancy rate and rental yield of its Evolve Mall at Ara Damansara and Pacific Tower Business Hub at Section 13, Petaling Jaya.

4. Profit Forecast / Guarantee.

The Company did not issue any profit forecast or guarantees.

5. Taxation.

Included in the taxation are the following:

	Current Quarter Ended 30 Sep 2022 RM'000	Year-to-date Ended 30 Sep 2022 RM'000
Taxation	137	504
	=====	=====

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

The tax provision was based on the estimated taxable amount. The tax charge of the Group is mainly from profitable subsidiaries' taxation, and for tax purposes, cannot be utilised to set off against losses of other companies within the Group. The effective tax rate was lower as most of the Group's profit generated were derived from the Vietnam operations which has low tax rate of 1% to 2%.

6. Group Borrowings.

Group borrowings as at 30 September 2022 including interest denominated in Ringgit Malaysia are as follows: -

	Secured <u>RM'000</u>	Unsecured <u>RM'000</u>	Total <u>RM'000</u>
Short term borrowings	164,598	-	164,598
Overdraft	10,663	-	10,663
Long term borrowings	302,160	-	302,160
	<hr/>	<hr/>	<hr/>
Total	477,421	-	477,421
	=====	=====	=====

7. Notes to the statement of comprehensive income.

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

	Year-to-date Ended 30 Sep 2022 RM'000
<u>Expenses</u>	
Interest Expense	16,767
Depreciation and Amortisation	11,762
Allowance for Impairment of Receivables	6,927
LTIP expenses	13,980
<u>Income</u>	
Interest Income	684
Share of Profit in Joint Venture	110,017

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

8. Material Litigation.

(a) Star Media Group Berhad (“STAR”) Claim

The Star Media Group Berhad (“STAR”) had on 30 April 2019 served a Writ of Summons and Statement of Claims against the Company claiming that the Company as corporate guarantor to JAKS Island Circle Sdn Bhd (“JIC”) is liable for JIC’s purported default of obligations under the Sale and Purchase Agreement (“SPA”) dated 19 August 2011 executed by STAR with JIC. The claim is for specific relief and damages for the total amount of RM177.7 million. On 27 May 2019, the Company also filed its Defence and Counterclaim.

On 1 August 2019, STAR had filed an application pursuant to Order 14A, Order 18 and Order 81 of the Rules of Court 2012 (“ROC”) to have their claim decided based on question of law and/or construction of orders and grounds of judgement which they have previously obtained.

On 7 August 2020, the Company announced that the High Court has allowed STAR’s application in part and ruled that the Company is to pay damages to STAR, being late payment interest at the rate of 8% per annum on the Balance Purchase Price of RM134,500,000 from 25 October 2015 to 6 July 2020.

The Company was further advised by its solicitors that in delivering the High Court’s decision: -

1. the High Court did not allow STAR’s claim for payment of RM134,500,000 being the Balance Purchase Price;
2. the High Court was of the view that delivery of the STAR’s entitlement as defined in the Sale and Purchase Agreement dated 19 August 2011, had occurred on 6 July 2020;
3. the High Court did not allow any late payment interest on the Balance Purchase Price thereafter from 6 July 2020;
4. STAR’s claim and the Company’s counterclaim had been disposed by the High Court.

Accordingly, the Company’s counterclaim was struck out.

The Company filed for an appeal to the Court of Appeal against the decision of the High Court on 7 August 2020 vide Civil Appeal No.: W-02(IM)(NCVC)-1122-08/2020 (“**Appeal 1122**”).

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

Similarly, STAR also appealed to the Court of Appeal against part of the decision of the High Court on 7 August 2020 insofar as they relate to questions which was dismissed by the learned High Court Judge vide Civil Appeal No.: W-02(IM)(NCVC)-1188-09/2020 (“**Appeal 1188**”). Upon counsel’s advice, the parties have agreed for both appeals to be heard on 27 July 2021 together with Civil Appeal No.: W-02(IM)(NCVC)-1435-10/2020 (“**Appeal 1435**”).

On 16 April 2021, the Company has filed a Notice of Motion at the Court of Appeal for a Stay of Execution of the Order granted by the High Court on 7 August 2020 following the dismissal of the Company's application for a stay of execution of the similar order at the High Court on 24 March 2021. The Notice of Motion filed at the Court of Appeal for a Stay of Execution of the Order granted by the High Court on 7 August 2020 was at the Case Management on 4 May 2021, fixed for Hearing on 19 July 2021.

During Hearing for the Motion for Stay on 19 July 2021, STAR had undertook not to execute the Order dated 7 August 2021 pending disposal of Appeal 1122, Appeal 1188 and Appeal 1435 on 28 July 2021.

On 28 July 2021, the Company announced that the appeal lodged by the Company at the Court of Appeal vide Appeal 1122 was allowed and the judgment given by the High Court on 7 August 2020 was set aside in the entirety.

This effectively sets aside the judgment by the High Court on 7 August 2020 which ordered for:

- (a) the Late Payment Interest of RM50,542,117.82 calculated at 8% per annum from the balance purchase price of RM134,500,000.00 from 25 October 2015 to 6 July 2020;
- (b) the Late Payment Interest be calculated at 8% per annum from the Balance Purchase Price of RM134,500,000.00 is to continue from 7 July 2020 to date of completion and delivery of the Vendor's Entitlement in accordance with the terms of the Sale and Purchase Agreement dated 19 August 2011.

Consequently, the Company also succeeded in defending the appeal lodged by STAR vide Appeal 1188. The Court of Appeal directed that Suit No.: WA-22NCVC-258-04/2019 where the Company has counterclaimed for damages arising from loss of profit from corporate exercise, loss of reputation and loss and impact on the status of the Defendant as public listed company and WA-22NCVC-374-05/2019 where the Company has claimed for the sum of RM248,242,987.62 as liquidated ascertained damages, RM297,035,481.00 as loss of proceeds from corporate fundraising exercise and refund of RM50,000,000.00 together with all interests pursuant to the Bank Guarantees be refunded, be reverted back to the High Court for full trial before Justice Nazlan Mohd Ghazali.

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

On 25 August 2021, STAR had filed a motion for leave to appeal against the decision of the Court of Appeal dated 28 July 2021 in allowing the Company's appeal vide Civil Application No.: 08(i)-332-08/2021(w) and dismissal of STAR's appeal vide Civil Application No.: 08(i)-333-08/2021(w).

On 7 October 2021, the Company announced that the three (3) motions for leave to appeal to the Federal Court filed by STAR is fixed for Hearing on 15 February 2022 has been vacated. The matter was fixed for Case Management on 9 February 2022. On 10 February 2022, the Company announced that the Hearing of the three (3) motions for leave to appeal to the Federal Court filed by STAR was fixed for Hearing on 17 May 2022. On 17 May 2022, the Hearing of the three (3) motions for leave to appeal to the Federal Court filed by STAR was further adjourned and fixed for Case Management on 15 June 2022. The hearing of the three (3) motions for leave to appeal to the Federal Court filed by STAR fixed on 8 November 2022 was vacated and is now fixed for Hearing on 23 February 2023. The matters will also be called up for final Case Management before Hearing on 8 February 2023.

(b) Claim against STAR at Kuala Lumpur High Court

On 30 May 2019, the Company and JIC filed a claim against STAR at the Kuala Lumpur High Court for breach of the Sale and Purchase Agreement dated 19 August 2011 on the following reliefs:

- a declaration that the Completion Period for JIC to deliver STAR's entitlement under the SPA is on 20 June 2020;
- a declaration that STAR has breached SPA;
- a declaration that STAR is unjustly enriched;
- the sum of RM248,242,987.62 to be paid to JIC as liquidated ascertained damages;
- the sum of RM297,035,481 to be paid to JRB as loss of proceeds from corporate fund raising exercises;
- the sum of RM50,000,000 together with all interests and all related costs incurred thereto pursuant to the Bank Guarantee that is to be refunded and/or returned to JIC within 7 days from the date of the Court Order, and
- damages.

Similarly, STAR had filed an application pursuant to Order 14A and Order 18 Rule 19 of the ROC to have Company's claim decided based on question of law and/or construction of orders and grounds of judgement which they have previously obtained.

On 28 September 2020, the High Court dismissed the application filed by STAR. STAR had appealed against the decision dated 28 September 2020 vide Appeal 1435. By consensus of the parties, Appeal 1435 was heard together with Appeal 1122 and Appeal 1188. Appeal 1435 was dismissed.

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

On 5 August 2021, the Company announced that the matter has been fixed for further Case Management on 9 August 2021 for directions on the matter being heard, together with the Kuala Lumpur High Court Suit No.: WA-22NCVC-258-04/2018 following Order of the Court of Appeal dated 27 July 2021.

On 11 August 2021, the Company announced that at Case Management on 9 August 2021, the Court has confirmed that the matter will be transferred and be heard together with Kuala Lumpur High Court Suit No.: WA-22NCVC-258-04/2019 before NCVC Court 2 following directions from the Court of Appeal. As a result, the trial dates initially fixed on 19 August 2021, 20 August 2021, 26 August 2021 and 27 August 2021 are vacated.

The matters are fixed for Case Management on 6 September 2021 for parties to update the Court as to whether any interlocutory applications will be filed by the parties.

On 25 August 2021, STAR had filed a motion for leave to appeal against the decision of the Court of Appeal dated 28 July 2021 in dismissing Appeal 1435 vide Civil Application No.: 08(i)-334-08/2021(w).

On 7 September 2021, the Company announced that both the Kuala Lumpur High Court Suit No.: WA-22NCVC-258-04/2019 and Kuala Lumpur High Court Suit No.: WA-22NCVC-374-05/2019 are fixed for Case Management on 18 October 2021.

On 18 October 2021, the Company announced that both the Kuala Lumpur High Court Suit No.: WA-22NCVC-258-04/2019 and Kuala Lumpur High Court Suit No.: WA-22NCVC-374-05/2019 where the Company and JAKS Island Circle Sdn Bhd has claimed against STAR where the trial dates initially fixed on 17 October 2022, 18 October 2022 and 19 October 2022 for update on the STAR Suit have been vacated. The Court has fixed 23 May 2022 for further Case Management on the Company's claim against STAR for the update on the outcome of the Application for Leave to Appeal to the Federal Court by STAR following dismissal of their appeal at the Court of Appeal against dismissal of their Order 14A application.

On 23 May 2022, the Company announced that the Court has fixed 23 August 2022 for further Case Management pending outcome of the Federal Court Application for Leave to Appeal to the Federal Court by STAR following dismissal of their appeal at the Court of Appeal against dismissal of their Order 14A application. The Court had also fixed the trial dates on 4 March 2024, 5 March 2024, 6 March 2024, 7 March 2024 and 8 March 2024. Further to the announcement on 23 May 2022, the Court has fixed 9 December 2022 for further Case Management pending outcome of the Federal Court Application for Leave to Appeal to the Federal Court by STAR following dismissal of their appeal at the Court of Appeal against dismissal of their Order 14A application.

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B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)**9. Earnings / (Loss) Per Ordinary Share**

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

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter Ended 30/9/22 RM'000	Preceding Year Quarter Ended 30/9/21 RM'000	Current Year To-date Ended 30/9/22 RM'000	Preceding Year To-date Ended 30/9/21 RM'000
a) <u>Basic Earnings/(Loss) Per Share</u>				
Profit/(Loss) for the period attributable to owners of the Company	20,343	31,852	56,743	80,404
Weighted average Number of Share in issue (RM1.00 each)	2,044,124	1,854,698	2,044,124	1,854,698
Basic Earnings /(Loss) Per Share (sen)	1.00	1.72	2.78	4.34
b) <u>Diluted Earnings/(Loss) Per Share</u>				
Profit/(Loss) for the period attributable to owners of the Company	20,343	31,852	56,743	80,404
Weighted average Number of Share in issue (RM1.00 each)	2,044,124	1,854,698	2,044,124	1,854,698
Effect of dilution due to issuance of shares	173	152,398	173	152,398
Adjusted weighted average Number of Share in issue applicable to diluted Earnings/(Loss) per share (RM1.00 each)	2,044,297	2,007,096	2,044,297	2,007,096
Earnings/(Loss) Per Share (sen)	1.00	1.59	2.78	4.01

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

10. Status of the Corporate Exercise

There are no corporate exercise pending completion.

11. Authorisation for issue.

The interim financial statements were authorised for issue by the Board of Directors on 24 November 2022.