

JAKS RESOURCES BERHAD
(COMPANY NO. 585648-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018.

THE FIGURES HAVE NOT BEEN AUDITED

The Directors are pleased to announce the 2nd Quarter unaudited financial results for the financial period ended 30 June 2018.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter ended 30-Jun-2018	Preceding Year Quarter ended 30-Jun-2017	Current Year To-date ended 30-Jun-2018	Preceding Year To-date ended 30-Jun-2017
	RM'000	RM'000	RM'000	RM'000
Revenue	178,336	170,945	388,533	325,733
Cost of Sales	(152,390)	(150,735)	(326,740)	(277,707)
Gross Profit	25,946	20,210	61,793	48,026
Other Operating Income	7,342	8,216	8,656	8,354
Other Operating, Administrative, Selling and Distribution expenses	(22,104)	(18,208)	(42,202)	(37,069)
Share options expenses	-	(7,595)	-	(7,595)
Operating Profit before finance cost	11,184	2,623	28,247	11,716
Finance cost	(5,156)	(7,164)	(11,388)	(13,249)
Operating Profit after finance cost	6,028	(4,541)	16,859	(1,533)
Share of Profit / (Loss) in Joint Venture	-	(18)	(50)	(68)
Profit Before Taxation	6,028	(4,559)	16,809	(1,601)
Taxation	(1,036)	(250)	(1,474)	(586)
Net Profit For The Period	4,992	(4,809)	15,335	(2,187)
Other Comprehensive Income / (Loss)				
Foreign currency translation	-	-	-	-
Total Comprehensive Income for the Period	4,992	(4,809)	15,335	(2,187)
<u>Net Profit For The Period Attributable to :</u>				
Owners of the Company	12,737	1,979	30,579	9,523
Non-Controlling Interests	(7,745)	(6,788)	(15,244)	(11,710)
	4,992	(4,809)	15,335	(2,187)
Earnings Per Share attributable to Owners of the Company (sen) :				
- Basic	2.44	0.44	5.87	2.12
- Diluted	2.44	0.44	5.87	2.12
Weighted average number of Ordinary Shares in issue	520,979	450,251	520,979	450,251
Weighted average number of Ordinary Shares in issue (diluted)	520,979	451,068	520,979	451,068

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 2017 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 JUNE 2018.

	(Unaudited) As At End Of Financial Period End 30-Jun-2018 RM'000	(Audited) As At End Of Financial Year End 31-Dec-2017 RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	5,578	6,955
Investment properties	644,482	644,636
Investment in Joint Venture	119,515	119,565
Golf Club memberships	334	334
Goodwill on Consolidation	148,501	148,501
Deferred Tax Assets	2,324	2,325
	920,734	922,316
Current Assets		
Inventories	1,813	1,813
Property Development Costs	57,134	71,450
Amount due from customers for contract works	482,451	514,999
Trade and Other Receivables	462,822	352,072
Amount due by Joint Venture	11,083	10,157
Deposits placed with licensed banks	77,835	88,031
Cash and bank balances	139,875	129,979
	1,233,013	1,168,501
Total Assets	2,153,747	2,090,817
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	598,974	524,387
Share Options Reserve	3,219	4,325
Translation Reserve	(10,428)	(11,071)
Accumulated Profit	209,535	180,437
	801,300	698,078
Non-controlling interests	50,787	66,031
TOTAL EQUITY	852,087	764,109
Non-Current Liabilities		
Long Term Borrowings	323,194	310,611
Deferred Tax Liabilities	153	153
	323,347	310,764
Current Liabilities		
Trade and Other Payables	837,137	796,723
Tax Payable	954	862
Bank borrowings	113,042	153,183
Bank overdraft	27,180	65,176
	978,313	1,015,944
TOTAL EQUITY AND LIABILITIES	2,153,747	2,090,817
 No of Ordinary Shares	 545,943	 492,747
Net Assets Per Share attributable to Owners of the parent (RM)	1.47	1.42

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 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 JUNE 2018.

	Current Year 6 Months ended 30-Jun-2018 RM'000	Preceding Year 6 Months ended 30-Jun-2017 RM'000
Cash flows from operating activities		
Profit before tax for the period	16,809	(1,601)
Adjustment for:		
Depreciation and amortisation	6,823	6,546
Interest expense	11,388	13,419
Interest income	(175)	(170)
Gain on disposal of land held for development	(5,830)	-
Loss / (Gain) on disposal of plant & equipment	(528)	225
Allowance for doubtful debts no longer required	-	(6,945)
Share of (Profit) / Loss in Joint Venture	50	68
Unrealised (Gain) / Loss on foreign exchange	-	(804)
Share options expenses	-	7,595
Provision for liquidated ascertained damages	16,038	13,020
Operating profit before working capital changes	44,575	31,353
(Increase)/Decrease in working capital		
Inventories	-	1,088
Amount due from customers for contract works	32,548	31,302
Trade and other receivables	(199,304)	(38,119)
Amount due from Joint Venture company	(926)	(3,073)
Property Development Expenditure	14,316	11,815
Trade and other payables	24,375	(56,768)
Land held for property development	-	(151)
	(128,991)	(53,906)
	(84,416)	(22,553)
Interest paid	(4,825)	(6,901)
Income tax paid	(1,495)	(3,843)
Net Operating Cash Flow	(90,736)	(33,297)
Cash flows from investing activities		
Purchase of property, plant & equipment	-	(26)
Interest received	175	170
Proceeds from disposal of property, plant & equipment	868	432
Proceeds from disposal of land held for development (net)	94,498	-
Addition to investment properties	(5,631)	(2,183)
Withdrawal / (Placement) of Fixed Deposits	10,196	981
Bank balance held as security values	(50,000)	-
Net Investing Cash Flow	50,106	(626)
Cash flows from financing activities		
Net Proceeds from shares issued	72,001	58,334
Interest paid	(6,562)	(6,517)
Drawdown / (Repayment) of short term borrowings	(39,912)	2,091
Drawdown (Repayment) of hire purchase liabilities	(230)	(1,228)
Drawdown / (Repayment) of bank term loans	12,583	(21,900)
Net Financing Cash Flow	37,880	30,780

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018. (Cont.)

	Current Year 6 Months ended 30-Jun-2018 RM'000	Preceding Year 6 Months ended 30-Jun-2017 RM'000
Net Change in Cash & Cash Equivalents	(2,750)	(3,143)
Exchange translation differences		
Cash & Cash Equivalents at beginning of the year	63,610	(46,370)
Translation Reserve	643	(2,080)
Cash & Cash Equivalents at end of the period.	61,503	(51,593)

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	77,835	59,555
Cash & bank balances	139,875	17,710
Bank overdrafts	(27,180)	(68,111)
	190,530	9,154
Less : Deposit held as security values	(77,835)	(59,555)
Bank balance held as security values	(50,000)	-
Debt service reserves account	(1,192)	(1,192)
	61,503	(51,593)

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 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 30 JUNE 2018.

	Attributable to Equity Holders of the Company						Non-Controlling Interest RM'000	Total Equity RM'000
	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		
Current Year Quarter ended 30 June 2018.								
Balance as at 1 January 2017	524,387	-	4,325	(11,071)	180,437	698,078	66,031	764,109
Total Comprehensive Income for the Period	-	-	-	-	30,579	30,579	(15,244)	15,335
Foreign currency translation	-	-	-	643	-	643	-	643
Issuance of ordinary shares								
Private placement	68,491	-	-	-	-	68,491	-	68,491
Private placement expenses	-	-	-	-	(1,481)	(1,481)	-	(1,481)
LTIP shares	6,096	-	-	-	-	6,096	-	6,096
Share options issued	-	-	(1,106)	-	-	(1,106)	-	(1,106)
Balance as at 30 June 2018.	598,974	-	3,219	(10,428)	209,535	801,300	50,787	852,087
Preceding Year Quarter ended 30 June 2017.								
Balance as at 1 January 2017	438,361	8,369	-	2,977	55,178	504,885	77,704	582,589
Total Comprehensive Income for the Period	-	-	-	-	9,523	9,523	(11,710)	(2,187)
Foreign currency translation	-	-	-	(2,080)	-	(2,080)	-	(2,080)
Issuance of ordinary shares								
Private placement	58,334	-	-	-	-	58,334	-	58,334
Share options issued	-	-	7,595	-	-	7,595	-	7,595
Transfer from share premium	8,369	(8,369)	-	-	-	-	-	-
Balance as at 30 June 2017.	505,064	-	7,595	897	64,701	578,257	65,994	644,251

(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 2017 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 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 statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2017.

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 2017, except for the adoption of the following MFRS, IC Interpretation and Amendments to MFRS beginning 1 January 2018 :

MFRS 9	Financial Instruments – Classification and Measurement of Financial Assets and Financial Liabilities
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 140	Investment Property – Transfers of Investment Property

The adoption of the revised standards and amendments that are applicable from the financial year beginning on 1 January 2018 is not expected to result in any material impact on the financial position and results of the Group.

2. Qualification of Audit Report on Financial Statements.

The financial statements of JAKS for the financial year ended 31 December 2017 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 were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the financial period under review save as listed below:

a) Private Placement

On 30 March 2018, 49,631,200 ordinary shares were issued under the proposed private placement at an issue price of RM1.38 per ordinary share. The private placement raised proceeds of RM68,491,056.

The status of utilisation of proceeds as at 30 June 2018 is as follows.

Proposed utilisation of proceeds	Proceeds raised RM'000	Utilised as at 30.6.2018 RM'000	Timeframe for utilisation
On-going projects undertaken by JRB and its subsidiaries ("JRB Group" or "Group")	45,000	25,000	Within 12 months
Working capital for the EVOLVE Concept Mall	20,000	12,500	Within 12 months
Working capital	1,791	1,791	Within 6 months
Estimated expenses relating to the Proposed Private Placement	1,700	1,700	Within 3 months
	68,491	40,991	

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.

For the 6 months ended 30 June 2018, 3,565,000 LTIP share options were exercised and the Company allotted 3,565,000 ordinary shares in the same period under review. As at 30 June 2018, 14,115,000 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 June 2018.

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	Investment Holding & Others RM'000	Elimination RM'000	Total RM'000
REVENUE					
External Revenue	323,620	63,148	1,765	-	388,533
Inter-Company	44,954	8,960	6,723	(60,637)	-
	368,574	72,108	8,488	(60,637)	388,533
Segment Results	47,368	(25,823)	(1,954)		19,591
Other Income					8,656
Finance Cost					(11,388)
Profit After Finance cost					16,859
Share of Loss in Joint Venture					(50)
Profit Before Taxation					16,809
Taxation					(1,474)
Profit After Taxation					15,335
<u>Attributable to :</u>					
Owners of the Company					30,579
Non-Controlling Interests					(15,244)
					15,335

The Group's revenue for the period ended 30 June 2018 based on geographical location is presented as follows:

	RM'000
Malaysia	232,008
Vietnam	156,525

Total	388,533
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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 2017.

10. Subsequent Events.

Save for the status of the information as described in Note 12 in Part B, 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.

12. Changes in Contingent Liabilities.

The changes in contingent liabilities of the Group since 31 December 2017 until 30 June 2018 were as follows: -

	As at 30 Jun 2018 RM'000	As at 31 Dec 2017 RM'000
Bank guarantees issued for execution of contracts of the Company or Subsidiaries company	140,854	140,363
Liquidated and ascertained damages	28,830	23,495
	<u>169,684</u>	<u>163,858</u>

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 RM444.80 million, using exchange rate of USD1 : RM4.0385.

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 30/6/2018 RM'000	Preceding Year Quarter Ended 30/6/2017 RM'000	Changes %	Current Year To-date Ended 30/6/2018 RM'000	Preceding Year To-date Ended 30/6/2017 RM'000	Changes %
<u>Revenue</u>						
Construction	140,053	131,695	6	323,620	251,867	28
Property Development & Investment	37,233	37,940	(2)	63,149	70,623	(11)
Investment Holding & Others	1,050	1,310	(20)	1,764	3,243	(46)
Total	178,336	170,945	4	388,533	325,733	19
<u>Profit/(Loss) Before Taxation</u>						
Construction	17,549	11,644	51	44,642	27,190	64
Property Development & Investment	(10,164)	(13,853)	27	(25,004)	(23,884)	(5)
Investment Holding & Others	(1,357)	(2,350)	42	(2,829)	(4,907)	42
Total	6,028	(4,559)	32	16,809	(1,601)	1,150

The Group achieved revenue of RM178.3 million for the current quarter ended 30 June 2018, an increase of approximately 4% from the previous year's corresponding quarter of RM170.9 million. The current quarter's revenue was contributed mainly by the Construction division of RM140.1 million of which RM63.5 million was derived from the Vietnam EPC construction work. The Property Development & Investment division contributed RM37.2 million to the Group revenue for the current quarter under review.

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

The Group achieved a profit before tax of RM6.0 million in the current year's second quarter as compared to a loss before tax of RM4.6 million in the previous year's corresponding quarter. The Construction division recorded a higher profit before tax of RM17.5 million in the quarter under review as compared to RM11.6 million achieved in the preceding year's corresponding quarter on the back of higher progress billings from the Vietnam EPC construction works. Correspondingly, the Construction division achieved higher profit before tax in the quarter under review of RM17.5 million, of which profit of RM16.9 million was recognised from the Vietnam EPC construction works.

The Property Development & Investment division recorded a loss before tax of RM10.2 million in the quarter under review as compared to a loss before tax of RM13.8 million in the second quarter of 2017. The lower loss in the current year quarter was mainly due to the recognition of the gain arising from the disposal of land held for development in Subang Jaya, i.e. the USJ Land properties which amounted to RM5.8 million. If this one off gain of RM5.8 million had not been included, the Property Development & Investment division would have incurred a higher loss before tax of RM16.0 million due mainly to the liquidated and ascertained damages (LAD) provision.

The Investment Holding & Others division recorded a lower loss before tax of RM1.4 million in the quarter under review as compared to a loss before tax of RM2.4 million incurred in the previous year's corresponding quarter. This was in line with the division's strategy to manage its cost to achieve some cost savings in the Group.

For the 6 months' financial period ended 30 June 2018, the Group achieved revenue of RM388.5 million and profit before tax of RM16.8 million. This represents a year-on-year growth of 19% to the revenue and a turnaround from the loss position of RM1.60 million. The Construction division was the main contributor with revenue of RM323.6 million and profit before tax of RM44.6 million of which RM156.5 million revenue and RM42.2 million profit were derived from the Vietnam EPC construction works. The overall profitability of the Group was dragged down by the Property Development & Investment division as this division incurred a higher loss before tax of RM25.0 million in the first six months of 2018 as compared to a loss before tax of RM23.9 million in the corresponding period of 2017.

2. Variation of Results against Preceding Period.

	Current Year Quarter 1/4/18-30/6/18 <u>RM'000</u>	Immediate Preceding Quarter 1/1/18 – 31/3/18 <u>RM'000</u>	Changes %
Revenue	178,336	210,797	(15)
Profit before tax	6,028	10,831	(44)

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

The Group achieved RM178.3 million revenue for the current quarter, a decrease of 15% from the revenue of RM210.8 million in the preceding quarter ended 31 March 2018. There was higher revenue of RM93.0 million recognised in the preceding quarter from the EPC construction work with the higher work progress billings as compared to RM63.5 million revenue on the progress work in the quarter under review in line with the progress of the work schedule.

Corresponding with the schedule of work progress, the Group's profit before tax reduced from RM10.8 million in the preceding quarter to RM6.0 million in the second quarter of 2018 despite the recognition of gain of RM5.8 million arising from the disposal of USJ Land properties.

3. Prospects.

The progress of the construction works for Vietnam EPC is proceeding well as scheduled. The local Construction division outlook is challenging but the progress is meeting expectation. Overall, the Construction division is expected to perform satisfactorily in 2018.

The performance of the Property Development and Investment division had been dragged by the high operating cost, depreciation charge and financing expenses at the EVOLVE Mall, much lower recognition of sales revenue from the property development as most of the units have been taken up coupled with the LAD charges. With the oversupply of retail space in the Klang Valley, the EVOLVE Mall will continue to face challenges in improving its rental yield. However, the Group is working to reduce the costs and to improve the performance of this division.

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 Jun 2018 RM'000	Year-to-date Ended 30 Jun 2018 RM'000
Taxation	1,036	1,474

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.

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

6. Group Borrowings.

Group borrowings as at 30 June 2018 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	113,042	-	113,042
Overdraft	27,180	-	27,180
Long term borrowings	323,194	-	323,194
Total	<u>463,416</u>	<u>-</u>	<u>463,416</u>

7. 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 Jun 2018 RM'000
<u>Expenses</u>	
Interest Expense	11,388
Depreciation and Amortisation	6,823
Share of Loss in Joint Venture	50
Liquidated and ascertained damages provision	16,038
<u>Income</u>	
Interest Income	175
Gain on disposal of plant & equipment	501
Gain on disposal of land held for development	5,830

8. 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 and the injunction filed with the High Court, Court of Appeal and Federal Court in relation to the Bank Guarantee claimed by STAR as stated in Note 12 of this Part B.

9. 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)

10. Earnings Per Ordinary Share

a) Basic Earnings Per Share

The earnings 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	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Quarter	To-date	To-date
	Ended	Ended	Ended	Ended
	31/3/18	31/3/17	31/3/18	31/3/17
	RM'000	RM'000	RM'000	RM'000
Profit for the period attributable to owners of the Company	12,737	1,979	30,579	9,523
Weighted average Number of Share in issue (RM1.00 each)	520,979	450,251	520,979	450,251
Basic Earnings Per Share (sen)	2.44	0.44	5.87	2.12

Diluted Earnings Per Share

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Quarter	To-date	To-date
	Ended	Ended	Ended	Ended
	31/3/18	31/3/17	31/3/18	31/3/17
	RM'000	RM'000	RM'000	RM'000
<u>Diluted</u> Profit for the period attributable to owners of the Company	12,737	1,979	30,579	9,523
Weighted average Number of Share in issue (RM1.00 each)	520,979	450,251	520,979	450,251
Effect of dilution due to issuance of LTIP	-	817	-	817
Adjusted weighted average Number of Share in issue applicable to diluted earnings /(loss) per share (RM1.00 each)	520,979	451,068	520,979	451,068
Diluted Earnings Per Share (sen)	2.44	0.44	5.87	2.12

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

11. Status of the Corporate Exercise

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this report:-

On 6 June 2018, the Company announced the proposal to undertake a renounceable rights issue of up to 278,164,186 Warrants in JRB at an indicative issue price of RM0.25 per Warrant, on the basis of 1 Warrant for every 2 existing Ordinary Shares held in the Company on an entitlement date to be determined and announced later. The Company had applied an extension of time of up to 3 September 2018 to submit the draft circular in relation to the Proposed Rights issue of Warrants for Bursa Securities' review. On 3 August 2018, Bursa Securities granted the extension of time until 3 September 2018 for the Company to submit the draft circular.

12. Other Information

On 19 February 2018, the Company announced that its subsidiary, JAKS Island Circle Sdn Bhd ("JIC") which had provided a bank guarantee in favour of Star Media Group Berhad ("STAR") for the sum of RM50.0 million was notified that STAR had called on the bank guarantee.

JIC had filed with the High Court in Kuala Lumpur for an injunction to restrain the issuing financial institutions of the Bank Guarantee from releasing, and the beneficiary of the Bank Guarantee, i.e. STAR from receiving the proceeds of the Bank Guarantee.

The High Court on 12 July 2018 dismissed the application for the injunction and the issuing financial institutions were directed to make payment within 5 working days. On 13 July 2018, JIC filed a Notice of Appeal to the Court of Appeal for stay of execution of the High Court order as well as filed to the High Court for an Erinford Injunction on the issuing financial institutions and STAR pending the hearings of the appeals.

On 23 July 2018, the High Court dismissed JIC's applications for Erinford Injunction but an appeal on this dismissal has been filed to the Court of Appeal.

JIC motions for Erinford injunction were heard on 27 July 2018 before the Court of Appeal but was dismissed, leaving JIC with the final option to file an application to the Federal Court for an interim order to prevent release of the Bank Guarantees pending JIC's leave application to the Federal Court.

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

On 30 July 2018, the Federal Court granted an interim order to prevent the release of the monies under the Bank Guarantees until 1 August 2018, which is the date fixed for the Company's subsidiary, JIC motions for an Erinford injunction.

On 1 August 2018, where the application for interim injunction was heard in the Federal Court. The Federal Court granted JIC's applications for interim injunction to restrain Star from receiving and the financial institutions from paying on the Bank Guarantees pending the hearing and disposal of JIC's motions for leave to appeal to the Federal Court, which has been fixed on the 26 September 2018.

13. Authorisation for issue.

The interim financial statements were authorised for issue by the Board of Directors on 28 August 2018.