

JAKS RESOURCES BERHAD
(COMPANY NO. 585648-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019.

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 2019.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter ended 30-Jun-2019	Preceding Year Quarter ended 30-Jun-2018	Current Year To-date ended 30-Jun-2019	Preceding Year To-date ended 30-Jun-2018
	RM'000	RM'000	RM'000	RM'000
Revenue	315,430	169,992	613,228	372,495
Cost of Sales	(271,720)	(152,390)	(510,197)	(326,740)
Gross Profit	43,710	17,602	103,031	45,755
Other Operating Income	729	7,342	1,355	8,656
Other Operating, Administrative, Selling and Distribution expenses	(14,487)	(13,760)	(46,735)	(26,164)
Operating Profit/(Loss) before finance cost	29,952	11,184	57,651	28,247
Finance cost	(5,423)	(5,156)	(10,355)	(11,388)
Operating Profit/(Loss) after finance cost	24,529	6,028	47,296	16,859
Share of Profit / (Loss) in Joint Venture	(116)	-	(116)	(50)
Profit/(Loss) Before Taxation	24,413	6,028	47,180	16,809
Taxation	(511)	(1,036)	(2,036)	(1,474)
Net Profit/(Loss) For The Period	23,902	4,992	45,144	15,335
Other Comprehensive Income / (Loss)				
Foreign currency translation	-	-	-	-
Total Comprehensive Income/(Loss) for the Period	23,902	4,992	45,144	15,335
<u>Net Profit/(Loss) For The Period Attributable to :</u>				
Owners of the Company	37,290	12,737	65,906	30,579
Non-Controlling Interests	(13,388)	(7,745)	(20,762)	(15,244)
	23,902	4,992	45,144	15,335
Earnings/(Loss) Per Share attributable to Owners of the Company (sen) :				
- Basic	6.35	2.44	11.22	5.87
- Diluted	6.35	2.44	11.22	5.87
Weighted average number of Ordinary Shares in issue	587,178	520,979	587,178	520,979
Weighted average number of Ordinary Shares in issue (diluted)	587,178	520,979	587,178	520,979

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 2018 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 2019.

	(Unaudited) As At End Of Financial Period End 30-Jun-2019 RM'000	(Audited) As At End Of Financial Year End 31-Dec-2018 RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	2,443	4,063
Investment properties	642,486	642,140
Investment in Joint Venture	280,503	197,171
Golf Club memberships	326	326
Goodwill on Consolidation	148,501	148,501
Deferred Tax Assets	2,325	2,325
	1,076,584	994,526
Current Assets		
Inventories	1,572	1,572
Property Development Costs	48,732	45,617
Amount due from customers for contract works	547,565	511,378
Trade and Other Receivables	477,123	515,928
Amount due by Joint Venture	8,224	6,879
Deposits placed with licensed banks	72,087	76,076
Cash and bank balances	40,430	91,035
	1,195,733	1,248,485
Total Assets	2,272,317	2,243,011
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	659,642	598,974
Share Options Reserve	3,219	3,219
Warrant Reserve	25,607	25,607
Translation Reserve	(2,825)	(3,795)
Accumulated Profit	258,820	194,199
	944,463	818,204
Non-controlling interests	(16,688)	4,074
TOTAL EQUITY	927,775	822,278
Non-Current Liabilities		
Long Term Borrowings	318,245	321,781
Deferred Tax Liabilities	94	94
	318,339	321,875
Current Liabilities		
Trade and Other Payables	935,366	985,971
Bank borrowings	81,910	105,311
Bank overdraft	8,927	7,576
	1,026,203	1,098,858
TOTAL EQUITY AND LIABILITIES	2,272,317	2,243,011
No of Ordinary Shares	643,118	545,943
Net Assets Per Share attributable to Owners of the parent (RM)	1.47	1.50

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 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 2019.

	Current Year 6 Months ended 30-Jun-2019 RM'000	Preceding Year 6 Months ended 30-Jun-2018 RM'000
Cash flows from operating activities		
Profit before tax for the period	47,180	16,809
Adjustment for:		
Depreciation and amortisation	6,567	6,823
Interest expense	10,355	11,388
Interest income	(631)	(175)
Gain on disposal of land held for development	-	(5,830)
(Gain) / Loss on disposal of plant & equipment	387	(528)
Share of (Profit) / Loss in Joint Venture	116	50
Restricted Share plan ("RSP") expenses	19,742	-
Provision for liquidated ascertained damages	18,046	16,038
Operating profit before working capital changes	101,762	44,575
(Increase)/Decrease in working capital		
Amount due from customers for contract works	(36,187)	32,548
Trade and other receivables	38,778	(199,304)
Additional shares investment in joint venture.	(84,793)	(926)
Property Development Expenditure	(3,115)	14,316
Trade and other payables	(68,938)	24,375
	(154,255)	(128,991)
	(52,493)	(84,416)
Interest paid	(3,405)	(4,825)
Income tax paid	(1,723)	(1,495)
Net Operating Cash Flow	(57,621)	(90,736)
Cash flows from investing activities		
Purchase of property, plant & equipment	(71)	-
Interest received	631	175
Proceeds from disposal of property, plant & equipment	538	868
Proceeds from disposal of land held for development (net)	-	94,498
Addition to investment properties	(6,147)	(5,631)
Withdrawal / (Placement) of Fixed Deposits	3,989	10,196
Bank balance held as security values	-	(50,000)
Net Investing Cash Flow	(1,060)	50,106
Cash flows from financing activities		
Net Proceeds from shares issued	39,641	72,001
Interest paid	(6,950)	(6,562)
Drawdown / (Repayment) of short term borrowings	(26,784)	(39,912)
Drawdown (Repayment) of hire purchase liabilities	(153)	(230)
Drawdown / (Repayment) of bank term loans	-	12,583
Net Financing Cash Flow	5,754	37,880

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019. (Cont.)**

	Current Year 6 Months ended 30-Jun-2019	Preceding Year 6 Months ended 30-Jun-2018
	RM'000	RM'000
Net Change in Cash & Cash Equivalents	(52,927)	(2,750)
Exchange translation differences	971	643
Cash & Cash Equivalents at beginning of the year	82,223	63,610
Cash & Cash Equivalents at end of the period.	30,267	61,503

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	72,087	77,835
Cash & bank balances	40,430	139,875
Bank overdrafts	(8,927)	(27,180)
	103,590	190,530
Less : Deposit held as security values	(72,087)	(77,835)
Bank balance held as security values	-	(50,000)
Debt service reserves account	(1,236)	(1,192)
	30,267	61,503

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 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 JUNE 2019.

	Attributable to Equity Holders of the Company						Non-Controlling Interest RM'000	Total Equity RM'000
	Non-				Distributable			
	Share Capital RM'000	Share Options Reserve RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Sub-Total RM'000		
Current Year Quarter ended 30 June 2019.								
Balance as at 1 January 2019	598,974	3,219	25,607	(3,796)	194,199	818,203	4,074	822,277
Total Comprehensive Income for the Period	-	-	-	-	65,906	65,906	(20,762)	45,144
Foreign currency translation	-	-	-	971	-	971	-	971
Issuance of ordinary shares								
Private placement	40,926	-	-	-	(1,285)	39,641	-	39,641
LTIP shares ("RSP")	19,742	-	-	-	-	19,742	-	19,742
Balance as at 30 June 2019.	659,642	3,219	25,607	(2,825)	258,820	944,463	(16,688)	927,775
Preceding Year Quarter ended 30 June 2018.								
Balance as at 1 January 2018	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	-	-	-	(1,481)	67,010	-	67,010
LTIP shares exercise	6,096	-	-	-	-	6,096	-	6,096
Share options granted	-	(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

(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 2018 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 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 2018.

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 2018.

2. Qualification of Audit Report on Financial Statements.

The financial statements of JAKS for the financial year ended 31 December 2018 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 except for the release of the payment on the bank guarantee of RM50.0 million to Star Media Group Berhad on 9 January 2019. This disputed performance liability has been charged out in the previous year.

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 year under review and up to date of this report, save as listed below:

a) Private Placement

On 28 May 2019, 58,465,313 Ordinary Shares were issued under the proposed private placement at an issue price of RM0.70 per Ordinary Share. The private placement raised proceeds of RM40.926 million.

The status of utilisation of proceeds as at 30 June 2019 is as follows.

Proposed utilisation of proceeds	Proceeds raised RM'000	Utilised as at 30.6.2019 RM'000	Timeframe for utilisation
(i) Vietnam Power Plant Project	25,491	25,173	Within 12 months
(ii) Repayment of Bank Borrowings	4,335	4,335	Within 12 months
(iii) Renewable Energy Projects	10,000	-	Within 12 months
(iv) Estimated expenses for the Proposed Private Placement	1,100	1,100	Upon completion of the Proposed Private Placement
	40,926	30,608	

b) Long Term Incentive Plan ("LTIP") – Share Options

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 June 2019, 14,115,000 of the LTIP Share Options granted remains unexercised.

c) Long Term Incentive Plan ("LTIP") – Restricted Share Plan ("RSP")

On 30 January 2019, the Company announced the award of 38,709,760 ordinary shares ("LTIP shares") under the RSP to selected employees or executives of the Company.

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 2019.

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	589,699	22,947	582	-	613,228
Inter-Company	19,105	4,178	7,025	(30,308)	-
	608,804	27,125	7,607	(30,308)	613,228
Segment Results	113,543	(34,520)	(22,727)		56,296
Other Income					1,355
Finance Cost					(10,355)
Profit After Finance cost					47,296
Share of Loss in Joint Venture					(116)
Profit Before Taxation					47,180
Taxation					(2,036)
Profit After Taxation					45,144
<u>Attributable to:</u>					
Owners of the Company					65,906
Non-Controlling Interests					(20,762)
					45,144

The Group's revenue for the period ended 30 June 2019 based on geographical location is presented as follows:

	RM'000
Malaysia	131,021
Vietnam	482,207

Total	613,228
	=====

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 2018.

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 under review save as listed below:

On 12 June 2019, the Company had incorporated a wholly-owned subsidiary, JAKS Solar Power Sdn Bhd, with issued capital of RM100.

On 28 June 2019, the Company had incorporated a wholly-owned subsidiary, JAKS Solar Power Holdings Sdn Bhd, with issued capital of RM100.

Both the companies were incorporated to facilitate the investment in renewable energy projects.

12. Changes in Contingent Liabilities.

The changes in contingent liabilities of the Group since 31 December 2018 until 30 June 2019 were as follows: -

	As at 30 Jun 2019 RM'000	As at 31 Dec 2018 RM'000
Bank guarantees issued for execution of contracts of the Company or Subsidiaries company	82,966	91,341
Liquidated and ascertained damages	39,591	34,255
	----- 122,557 =====	----- 125,596 =====

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 USD72.14 million or RM298.8 million, using exchange rate of USD1 : RM4.142.

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 30/6/2019 RM'000	Preceding Year Quarter Ended 30/6/2018 RM'000	Changes %	Current Year To-date Ended 30/6/2019 RM'000	Preceding Year To-date Ended 30/6/2018 RM'000	Changes %
Construction	316,821	140,053	126	589,699	323,620	82
Property Development & Investment Less Provision for Liquidated ascertained damages ("LAD")	10,495	37,233	(72)	40,993	63,149	(35)
	(12,230)	(8,344)	46	(18,046)	(16,038)	12
	(1,735)	28,889	(106)	22,947	47,111	(51)
Investment Holding & Others	344	1,050	(67)	582	1,764	(67)
Total	315,430	169,992	86	613,228	372,495	65

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

b) Profit / (Loss) Before Taxation

Segment	Current Year Quarter ended 30/6/2019 RM'000	Preceding Year Quarter Ended 30/6/2018 RM'000	Changes %	Current Year To-date Ended 30/6/2019 RM'000	Preceding Year To-date Ended 30/6/2018 RM'000	Changes %
Construction	53,383	17,549	204	111,684	44,642	150
Property Development & Investment	(26,803)	(10,164)	(164)	(41,277)	(25,004)	(65)
Investment Holding & Others	(2,167)	(1,357)	(60)	(3,485)	(2,829)	(23)
Restricted Share Plan Expenses	-	-	-	(19,742)	-	(100)
	<u>(2,167)</u>	<u>(1,357)</u>	<u>(60)</u>	<u>(23,227)</u>	<u>(2,829)</u>	<u>(721)</u>
Total	24,413	6,028	305	47,180	16,809	181

The Group achieved revenue of RM315.4 million for the current quarter ended 30 June 2019, an increase of approximately 86% from the previous year's corresponding quarter of RM170.0 million. The increase was mainly attributable to the higher amount of revenue recognised from the Vietnam EPC construction works in the Construction division of RM226.4 million as compared to RM63.5 million achieved in the preceding year's corresponding quarter following the higher amount of works done.

The main contributor to the Group's revenue for the current quarter was from the Construction division with revenue of RM316.8 million. The Property Development & Investment division contributed lower revenue of RM10.5 million to the Group in the current quarter as compared to RM37.2 million in the preceding year's corresponding quarter in line with the billing stage. However, with the provision for liquidated ascertained damages ("LAD") charges of RM12.2 million (Q2 2018 – RM8.3 million LAD charges) which was netted off against the gross revenue achieved on application of the accounting standards,

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

MFRS 15 *Revenue*, there was a deficit in revenue of RM1.7 million in the Property Development & Investment division. The preceding year revenue has been adjusted to net off against the provision for LAD in the statement accordingly.

With an overall higher revenue achieved, the Group recorded a higher profit before tax of RM24.4 million in the current year's second quarter as compared to RM6.0 million achieved in the preceding year's comparative quarter.

The Construction division recorded a profit before tax of RM53.4 million in the quarter under review as compared to RM17.5 million achieved in the preceding year's corresponding quarter. The higher profit achieved was mainly attributed by the higher progress billings and profit recognised from the Vietnam EPC construction works.

The Property Development & Investment division recorded a higher loss before tax of RM26.8 million in the quarter under review as compared to a loss before tax of RM10.2 million in the second quarter of 2018. The higher loss was mainly due to lower revenue achieved and the provision for LAD. In addition, in the preceding year's corresponding quarter, the Group had included a RM5.8 million gain arising from the disposal of land held for development.

The Investment Holding & Others division recorded a higher loss before tax of RM2.1 million in the current quarter under review as compared to a loss before tax of RM1.3 million incurred in the preceding year's corresponding quarter mainly due to the additional legal cost provided.

2. Variation of Results against Preceding Period.

	Current Year Quarter 1/4/19-30/6/19	Immediate Preceding Quarter 1/1/19 – 31/1/19	Changes
	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	315,430	297,798	6
Profit/(Loss) before tax	24,413	22,767	7

The Group achieved RM315.4 million revenue for the current quarter, an increase of 6% from the revenue of RM297.8 million in the preceding quarter ended 31 March 2019. Correspondingly, the Group recorded a higher profit before tax of RM24.4 million in the second quarter as compared to RM22.8 million achieved in the preceding quarter ended 31 March 2019.

The higher profit before tax in the current quarter was derived mainly from the profit of the Vietnam EPC construction works of RM54.3 million but dragged down by the losses in the Property Development & Investment division with delay in the progress of recognition in property development and higher LAD provided in the current year second quarter.

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

3. Prospects

The Construction division will continue to be the main contributor in the second half of the financial year 2019 as construction works for Vietnam EPC is expected to meet the scheduled work plan and will continue to deliver positively to the Group until its completion.

For the Property Development and Investment division, delivery of some of the developed properties have been delayed resulting in the expensing of LAD charges and the Group will work to complete the property development project as soon as possible.

The Board will remain vigilant and continue to exercise due care and prudence in the running and administration of the Group's business.

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 2019 RM'000	Year-to-date Ended 30 Jun 2019 RM'000
Taxation	511	2,036
	=====	=====

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 with low tax rate of 1 to 2%.

6. Group Borrowings.

Group borrowings as at 30 June 2019 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	81,910	-	81,910
Overdraft	8,927	-	8,927
Long term borrowings	318,245	-	318,245
Total	<u>409,082</u>	<u>-</u>	<u>409,082</u>

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

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 2019 RM'000
<u>Expenses</u>	
Interest Expense	10,355
Depreciation and Amortisation	6,567
Liquidated and ascertained damages provision	18,046
Restricted Share plan expenses	19,742
Loss on disposal of plant & equipment	387
Share of Loss in Joint Venture	116
<u>Income</u>	
Interest Income	631

8. Material Litigation.

- a) 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 filed a Notice of Application for Disposal of case on point of law and/or Striking Out and/or Summary Judgment pursuant to Order 14A, Order 18 Rule 19 and Order 81 of the Rules of Court 2012 (“Application”).

Case managements were held at the Kuala Lumpur High Court 6 May 2019, 17 June 2019, 23 July 2019 and 7 August 2019.

The Hearing of the Application is fixed on 14 October 2019 and next Case Management is fixed on 28 August 2019.

- b) On 22 February 2019, STAR filed applications for enforcement of undertaking as to damages at the High Court. On 19 June 2019, after the submissions of parties, the Judge ordered for undertaking as to damages to be enforced against JIC. Damages to be paid by JIC calculated at the rate of 3.5% per annum of the sum of RM50 million over the period of 28 February 2018 to 9 January 2019.

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

On 24 June 2019, JIC has filed a Notice of Appeal against the entire High Court decision.

On 12 July 2019, JIC has filed a Notice of Application for Stay of Execution at the High Court.

The next case management for the matters are fixed on 5 September 2019 and 2 October 2019.

c) On 30 May 2019, the Company and JIC filed a claim against STAR at the Kuala Lumpur High Court for breach of the SPA 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 the 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 RM297,035,481.00 to be paid to JRB as loss of proceeds from corporate fund raising exercises;
- the sum of RM50,000,000.00 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.

On 1 August 2019, STAR has filed a Notice of Application for Disposal of case on point of law and/or Striking Out pursuant to Order 14A and Order 18 Rule 19 of the Rules of Court 2012.

Case Managements were held on 18 June 2019, 19 July 2019, 14 August 2019.

The next case management is fixed on 3 September 2019.

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

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 Year Quarter Ended 30/6/19 RM'000	Preceding Year Quarter Ended 30/6/18 RM'000	Current Year To-date Ended 30/6/19 RM'000	Preceding Year To-date Ended 30/6/18 RM'000
a) <u>Basic Earnings/(Loss) Per Share</u>				
Profit/(Loss) for the period attributable to owners of the Company	37,290	12,737	65,906	30,579
Weighted average Number of Share in issue (RM1.00 each)	587,178	520,979	587,178	520,979
Basic Earnings /(Loss) Per Share (sen)	6.35	2.44	11.22	5.87
b) <u>Diluted Earnings/(Loss) Per Share</u>				
Profit/(Loss) for the period attributable to owners of the Company	37,290	12,737	65,906	30,579
Weighted average Number of Share in issue (RM1.00 each)	587,178	520,979	587,178	520,979
Effect of dilution due to issuance of shares	-	-	-	-
Adjusted weighted average Number of Share in issue applicable to diluted Earnings/(Loss) per share (RM1.00 each)	587,178	520,979	587,178	520,979
Diluted Earnings/(Loss) Per Share (sen)	6.35	2.44	11.22	5.87

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

11. 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:

On 14 May 2019, the Company has entered into a Memorandum of Understanding (“MOU”) with LICOGI 13 (the “Vendor”), a joint stock company incorporated in Vietnam to set out the expression of interest of JRB to acquire the Lig-Quang Tri Solar Power Project (“LQT Solar Power Project”) from the Vendor (“Proposed Acquisition”) as well as to set out the intention for the Vendor and JRB (collectively referred to as “Parties”) to enter into joint venture arrangements or sale and purchase transactions in respect of other or future solar and wind energy projects in Vietnam, at the consideration and upon terms and conditions to be mutually agreed between both Parties.

On 8 July 2019, the Company and LICOGI 13 has mutually agree on the extension of period for completion of Due Diligence Review from 15 June 2019 to 25 August 2019 and extension of period for execution of Sale and Purchase Agreement of the Solar Power Project from 30 June 2019 to 30 September 2019.

12. Authorisation for issue.

The interim financial statements were authorised for issue by the Board of Directors on 21 August 2019.