



JAKS RESOURCES BERHAD

200201017985 (585648-T)

2024

ANNUAL REPORT



Towards Better Performance

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JAKS AT A GLANCE



The business of JAKS was started by our founder Datuk Ang Ken Seng in the 1960s, beginning humbly as a plumber serving residential premises. Datuk Ang's vision to become a major player in water reticulation works led to the incorporation of JAKS Sdn Bhd in 1987. This became the core business for the listing of JAKS Resources Berhad ("JAKS") in the Main Market of Bursa Malaysia Securities Berhad on 1 July 2004 under the Construction Sector (Name & Code: JAKS & 4723).

JAKS is registered with the Construction Industry Development Board with a Grade 7 certification and is licensed by the National Water Services Commission for water supply and sewerage works.

The JAKS Group began in water and infrastructure construction and later expanded into building materials and steel-related product supply. In 2011, JAKS entered the power sector by securing a 25-year concession to develop a 2 x 600-megawatt build-

operate-transfer (BOT) thermal power plant in Hai Duong Province, Vietnam with a project valued of approximately US\$1.9 billion. Subsequently JAKS partnered with China Power Engineering Consulting Group Co Ltd (CPECC), in a Joint Venture which JAKS holds a 30% equity interest. Commercial operation dates (COD) were achieved for both units in November 2020 and January 2021 respectively, with a total planned capacity of 7.5 billion kWh annually.

In 2021, JAKS Group further entered the renewable energy market through Malaysia's Large Scale Solar 4 (LSS4) programme and successfully delivered the 50MW solar plant in Nibong Tebal, achieving COD in August 2023. The Group is also involved in the Corporate Green Power Programme (CGPP), participating in a 30MW solar power plant joint venture. Going forward, apart from development of renewable energy projects, the Group is also exploring battery energy storage systems (BESS) in Malaysia and Southeast Asia.

In tandem, JAKS has a strong track record in infrastructure construction having completed domestic projects worth multi billions. The Group is now leveraging its engineering expertise to act as an EPC provider for infrastructure construction projects as well as renewable energy initiatives.

The property investment division manages two flagship assets in the Klang Valley: Evolve Concept Mall and Pacific Towers Business Hub. The Group is focused on improving occupancy and rental rates to further enhance and unlock asset values.

Today, JAKS Resources Berhad has streamlined its focus into two sustainable growth pillars: Infrastructure Construction and Power & Renewable Energy both in the local and international front. This strategic shift positions the Group to capitalise on sustainable infrastructure demand and long-term recurring income streams and provide diversification from cyclical shifts in a particular industry.



OUR VISION

To be an innovative regional leader in the utilities, construction and infrastructure engineering industry.



OUR MISSION

We will strive for excellence in providing highly reliable and cost-efficient service to our customers, without compromising in quality and safety

We will deliver our promises in building value for our organisation in order to contribute sustainable financial achievement and achieve optimum growth

We will take the lead to adopt continuous innovation and best practices to gain market competitiveness

We will provide a nurturing environment for our employees by striking a balance between rewarding performance and allowing for personal enrichment



CORPORATE INFORMATION

BOARD OF DIRECTORS

**TAN SRI DATO' HJ. ABD. KARIM
B. SHAIKH MUNISAR**

(Chairman)

(Independent Non-Executive Director)

ANG LAM POAH

(Chief Executive Officer)

DATO' RAZALI MERICAN BIN NAINA MERICAN

(Executive Director)

ANG LAM AIK

(Executive Director)

KHOR HUN NEE

(Independent Non-Executive Director)

DATO' OTHMAN BIN SEMAIL

(Independent Non-Executive Director)

LIM GIN GEE

(Independent Non-Executive Director)

SECRETARY

Leong Oi Wah

(MAICSA 7023802)

SSM Practicing Certificate No. 201908000717

REGISTERED OFFICE

802, 8th Floor

Block C, Kelana Square

17, Jalan SS7/26,

47301 Petaling Jaya,

Selangor Darul Ehsan

Tel No : 603-7803 1126

Fax No : 603-7806 1387

Email : info@jaks.com.my

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01, Level 32, Tower A,

Vertical Business Suite,

Avenue 3, Bangsar South,

No. 8, Jalan Kerinchi,

59200 Kuala Lumpur,

Wilayah Persekutuan

Tel No : 603 -2783 9299

Fax No : 603 -2783 9222

Email : is.enquiry@vistra.com

AUDITORS

UHY MALAYSIA PLT

Suite 11.05, Level 11

The Gardens South Tower,

Mid Valley City,

Lingkaran Syed Putra,

59200 Kuala Lumpur

Wilayah Persekutuan

PRINCIPAL PLACE OF BUSINESS

Unit B-09-28, Tower B,

Pacific Towers,

Jalan 13/6, Section 13,

46200 Petaling Jaya

Selangor Darul Ehsan

Tel No : 603-7660 3333

Fax No : 603-7660 8993

Website : www.jaks.com.my

PRINCIPAL BANKERS/FINANCIERS

United Overseas Bank (Malaysia) Berhad

Malayan Banking Berhad

Great Eastern Life Assurance (Malaysia) Berhad

AmBank (M) Berhad

Al Rajhi Banking & Investment Corporation

(Malaysia) Bhd

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad (Main Market)

Stock Name : JAKS

Stock Code : 4723

CORPORATE STRUCTURE



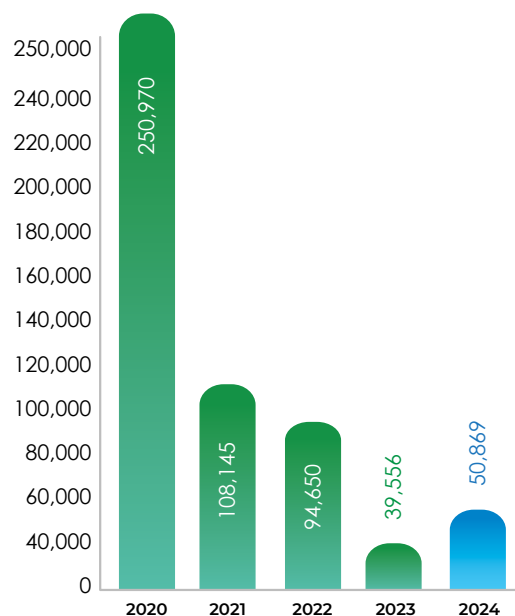
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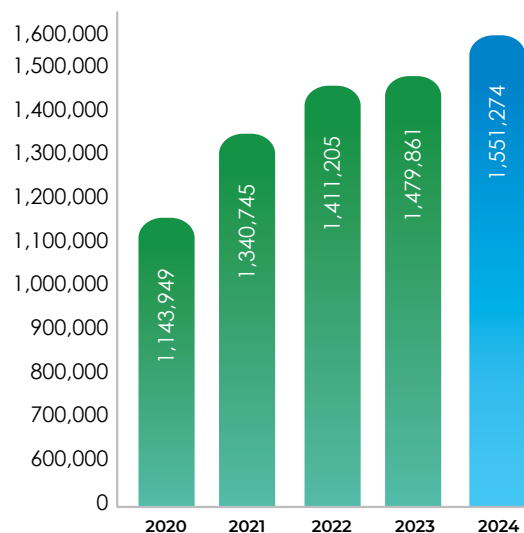
5 YEARS FINANCIAL HIGHLIGHTS

Group Five Years Summary	<< ----- Financial Year Ended ----- >>				
	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000
Revenue	250,970	108,145	94,650	39,556	50,869
Profit / (Loss) before tax	(110,306)	30,294	37,417	12,090	46,850
Profit / (Loss) attributable to owners of the Company	(84,561)	51,759	53,778	16,744	57,117
Share Capital	924,998	1,061,612	1,074,143	1,125,105	1,154,950
Shareholders' funds	1,143,949	1,340,745	1,411,205	1,479,861	1,551,274
Number of Shares (units)	1,755,167	2,042,318	2,090,318	2,369,851	2,606,836
Net assets per share (RM)	0.65	0.66	0.68	0.62	0.60

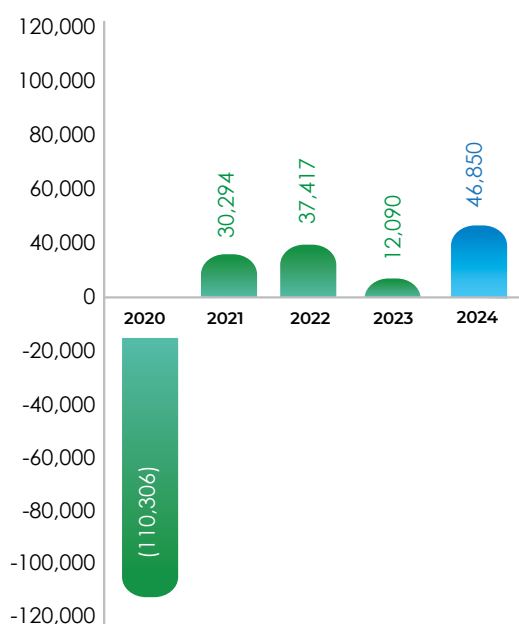
Revenue (RM'000)



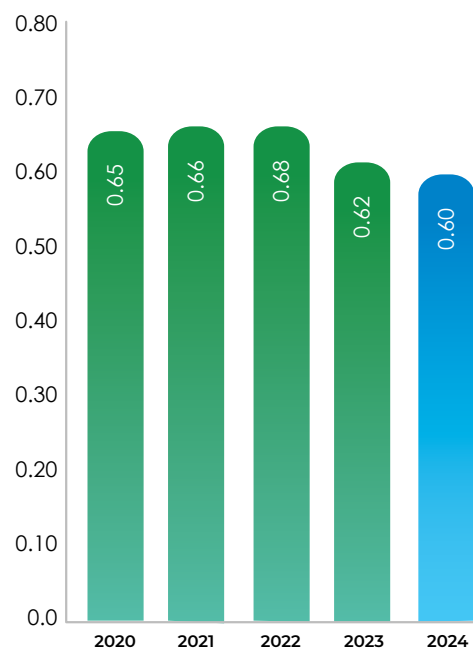
Shareholders' funds (RM'000)



Profit / (Loss) before tax (RM'000)



Net assets per share (RM)



BOARD OF DIRECTORS



**Tan Sri Dato' Hj. Abd Karim
Bin Shaikh Munisar**

A Malaysian, aged 74, was appointed to the Board on 17 April 2019 as an Independent Non-Executive Director. He was appointed the Chairman of the Company on 31 May 2023.

He holds a Master in Business Administration (Business Finance) from University of Edinburgh, Advanced Diploma in Economic Development (with Distinction) from University of Manchester, United Kingdom and Bachelor of Economics (Hons) from University of Malaya. He also attended an Advance Course in Urban Planning JICA in Tokyo, Japan.

In 1974, Tan Sri Dato' Hj. Abd Karim was the Assistant Director at the Ministry of Finance, Malaysia. Between 1975 to 1980, he held different position in various districts in the state of Perak as Assistant District Officer, Kinta; Chairman of Kinta District Council; Assistant District Officer 1, Kampar; Chairman of Kampar/Gopeng Municipal Council and also Assistant State Secretary of Perak (UPEN).

He was the Chief Assistant District Officer 1 (Land) of Kuantan District Office and Chief Assistant State Secretary of Pahang (Housing Division) in 1980; Deputy Director of Klang Valley Planning Secretariat, Prime Minister Department in 1982; Chief Assistant State Secretary of Selangor (Local Authority Division) in 1987.

He also served as the President of Ampang Jaya Municipal Council from 1992 to 1996. He had an outstanding career in the government sector and was the President of Petaling Jaya Municipal Council in 2003 and 2004. Prior to that, he was the District Officer cum President of Sepang District Council from 1998 to 2003. In 2005, he opted to join the corporate sector and was appointed as President of Kumpulan Darul Ehsan Berhad. Tan Sri Dato' Hj. Abd Karim was previously the Executive Chairman of various companies listed in Bursa Malaysia such as Kumpulan Perangsang Selangor Berhad, Kumpulan Hartanah Selangor Berhad and Chairman of Taliworks Corporation Berhad from 2004 to 2011.

He was also Chairman of various other companies namely Konsortium Abass Sdn Bhd, Titisan Modal Sdn Bhd, Central Spectrum Sdn Bhd, Cekal Tulin Development Sdn Bhd, JAKS-KDEB Consortium Sdn Bhd, Hydrovest Sdn Bhd and Perangsang Hotel & Properties Sdn Bhd. In addition, Tan Sri Dato' Hj. Abd Karim was also a member of the Board of Directors for Syarikat Bekalan Air Selangor Sdn Bhd (Syabas), Syarikat Pengeluaran Air Selangor Holdings Berhad (Splash), Cyberview Sdn Bhd and Alam Flora Sdn Bhd.

He currently sits on the Board of Lion Posim Berhad and is the Chairman of GRC Consulting Services Sdn Bhd (GRCCS), a professional consulting firm specialising in Governance, Risk and Compliance (GRC) Advisory Services.

He does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.

Board of Directors

(cont'd)



Ang Lam Poah

A Malaysian, aged 57, was appointed to the Board on 23 December 2003. He is the Chief Executive Officer ("CEO") of the Company and a member of the Sustainability Committee and LTIP Committee.

He holds a Diploma in Business Administration from Toronto School of Business. Upon obtaining his diploma in 1990, he started his career with JAKS.

As the CEO of the Group, Mr Ang is instrumental in providing the leadership, business strategy and direction for the Group. He brings valuable entrepreneurship experience and business acumen to the Group.

He has been actively involved in the day-to-day operations and management of the Group's business activities that encompass the water and infrastructure construction projects and power plant and renewable energy projects. He also has experience in property development and the setting up of manufacturing plant for mild steel pipes and common clay bricks. He also holds directorships in several other private limited companies.

Mr Ang Lam Poah is the brother to the Director, Mr Ang Lam Aik. Save as disclosed, he does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.



**Dato' Razali Merican Bin
Naina Merican**

A Malaysian, aged 54, was appointed to the Board on 23 December 2003. He is an Executive Director of the Company and a member of the Sustainability Committee and LTIP Committee.

He has been actively involved in various businesses after the completion of his University Degree in 1995. Since then, he has acquired extensive experience and expertise especially in water, property construction and steel manufacturing industries.

Dato' Razali does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.

Board of Directors (cont'd)



Ang Lam Aik

A Malaysian, aged 51, was appointed to the Board on 23 December 2003. He is an Executive Director of the Company.

He holds a Diploma in Computer Science from Canada and has been involved in project management and construction related fields since 1995.

Mr Ang Lam Aik is the brother to the Director/Chief Executive Officer, Mr Ang Lam Poah. Save as disclosed, he does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no convictions for offence within the past five years.



Khor Hun Nee

A Malaysian, aged 47, was appointed to the Board on 2 December 2019 as an Independent Non-Executive Director of the Company. She is the Chairman of the Sustainability Committee and Audit Committee and a member of the Risk Management Committee, Nomination Committee and LTIP Committee.

Ms Khor Hun Nee has her professional qualifications from the Malaysian Institute of Accountants and the Association of Chartered Certified Accountants. She is also holding the Capital Markets Services Representative's License issued by the Securities Commission Malaysia.

Ms Khor Hun Nee started her career in 2000 in the audit field for about four years. She then moved to various senior finance positions in Intel Technology Sdn Bhd, Computer Systems Adviser and Airbus Helicopters Malaysia Sdn Bhd. Over the years, she has accumulated extensive experience in finance management, financial reporting, corporate finance, auditing and taxation. She is currently self-employed as a licensed financial planner.

She sits on the Board of Asteel Group Berhad and Hextar Retail Berhad that are listed on the Main Market of Bursa Malaysia Securities Berhad.

Ms Khor Hun Nee does not have any family relationship with any other Director and/or major shareholder of the Company and has no other conflict of interest with the Company. She has no convictions for offence within the past five years.

Board of Directors

(cont'd)



Dato' Othman Bin Semail

A Malaysian, aged 64 was appointed to the Board on 11 July 2023 as an Independent Non-Executive Director of the Company. He is the Chairman of the Nomination Committee and a member of the Audit Committee, Remuneration Committee and Risk Management Committee.

He holds a Master in Business Administration (Finance) from University Kebangsaan Malaysia, Bachelor of Natural Resource Economics from Universiti Pertanian Malaysia, Diploma in Public Administration from the National Institute of Public Administration and Diploma in Agriculture from Universiti Pertanian Malaysia.

Dato' Othman Bin Semail started his career in 1982 with Rubber Industry Smallholders Development Authority (RISDA) as Assistant Agricultural Officer. After serving RISDA for 16 years, he then moved to Ministry of Primary Industries, Malaysia as Assistant Secretary from 1998 until 2003. He then served as Assistant Director at the Public Service Department, Prime Ministers Department for 2 years from 2003 until 2005.

Dato' Othman Bin Semail began his service with the Ministry of Finance, Malaysia in 2005 as Assistant Secretary with the Government Procurement Division. He rose through the ranks in the division with various capacities including Principal Assistant Secretary, Head of Section, Deputy Secretary (Operation) and Under Secretary (Head of Government Procurement Division). In October 2018, he was appointed as the Deputy Secretary General of Treasury (Management) until his retirement in March 2021.

Dato' Othman Bin Semail does not have any family relationship with any other Director and/or major shareholder of the Company and has no other conflict of interest with the Company. He has no convictions for offence within the past five years.



Lim Gin Gee

A Malaysian, aged 75 was appointed to the Board on 11 July 2023 as an Independent Non-Executive Director of the Company. He is the Chairman of the Remuneration Committee, Risk Management Committee and LTIP Committee and a member of the Audit Committee and Nomination Committee.

He holds a Bachelor of Economics (majoring in accounting) from University of Malaya. He also attended an Advance Course in Banking at the Asian Institute of Management in Metro Manila, Philippines.

Upon graduation in 1973, Mr Lim Gin Gee joined and held different positions in various departments in United Malayan Banking Corporation Berhad. He then joined Pacific Bank Berhad in 1982 and held senior managerial positions with experience in banking, credit and corporate loans. He left as First Vice President in 2001. In October 2001, he decided to venture into the corporate field and joined JAKS Sdn Bhd as Chief Operating Officer. He left JAKS Group in 2003 to pursue his own business ventures in manufacturing and construction.

Mr Lim Gin Gee does not have any family relationship with any other Director and/or major shareholder of the Company and has no other conflict of interest with the Company. He has no convictions for offence within the past five years.

Notes:

- The Executive Directors form the Senior Management and their profile are not presented separately.

CHAIRMAN'S *Statement*



Dear Shareholders

On behalf of the Board, I am pleased to present to you JAKS Resources Berhad's ("JAKS" or "the Company") Annual Report and Audited Financial Statements of the Group and Company for the financial year ended 31 December 2024 ("FYE2024").

IMPROVEMENT IN RESULTS DESPITE CHALLENGES

In 2024, JAKS delivered a commendable performance given the challenging operating environment locally and abroad. Revenue of the group improved by 29% against the previous year with the recognition of a full year's revenue by the Power Energy division, improvement in rental income from the investment properties. However, the gross profit suffered, mainly due to the higher cost of sales.

Nevertheless, the Group achieved profit before tax of RM46.8 million, an increase of more than three folds from the profit before tax in the financial year 2023 of RM12.1 million. This was possible with the continued contribution of share of profit from the Group's JAKS Hai Doung Vietnam joint venture of RM121.6 million and the net gain on disposal of land amounting to RM54.6 million during the year.

Chairman's Statement (cont'd)

In line with our commitment to delivering value to our shareholders, on 13 January 2025, the Board of Directors declared the Company's first interim dividend of 0.5 sen per ordinary share for financial year 2024 with the Dividend Reinvestment Plan (DRP). The Company issued and allotted 19,434,125 new shares on 3 March 2025 at the issue price of RM0.125 per share pursuant to the first DRP and the cash dividend amounted to RM13.0 million.

The Group's basic earnings per share for FYE2024 at 2.27 sen was higher than the basic earnings per share in FYE2023 of 0.75 sen even with the higher weighted average number of ordinary shares in issue of 2,513,271,678 shares as compared to 2,226,032,430 shares in the preceding year. The Company had issued and listed 236,985,000 new Placement Shares, raising approximately RM29.8 million during the year. Net assets per share reduced by 2 sen from RM0.62 as at 31 December 2023 to RM0.60 as at 31 December 2024 despite higher profits achieved in the year due to the enlarged share capital base arising from the Private Placement.

POWER-ENERGY DIVISION TO BE KEY PILLAR

With a full year of operation, the Power-Energy division has successfully achieved targeted operational efficiencies at our 50MW solar photovoltaic (PV) power plant under the Large Scale Solar 4 (LSS4) project in Penang. This milestone marks a significant achievement for the Group, and the plant is expected to deliver steady, positive contributions to our financial performance over the 25-year concession period. The long-term, stable income from this project strengthens our recurring revenue base and supports the Group's commitment to sustainable growth.

Building on this momentum, JAKS has participated in the bid for the development of solar PV plants with a total maximum capacity of 500 megawatts alternating current (MW) under the Energy Commission's upcoming Large Scale Solar 5 (LSS5) programme. By leveraging the strengths and proven track records, we are confident in our competitive positioning to secure projects under LSS5. This represents a strategic move in line with our broader vision to expand our presence in the power and energy sector, and reaffirms our commitment to growing our renewable energy portfolio in support of the Malaysian Government's initiatives towards a greener future.

Furthermore, our investment in JAKS Hai Duong Power Company Limited in Vietnam continues to perform strongly, delivering consistent returns and dividends. The reliable cash flows generated by this investment, coupled with the income from our renewable energy ventures, provide the Group with a diversified and resilient earnings base. This has been particularly important in cushioning the impact of ongoing challenges in the construction sector and the increasingly competitive retail environment.

Moving forward, our strategic investments in renewable and conventional energy assets will remain key pillars of sustainable value creation for our shareholders.

ACKNOWLEDGEMENT

On behalf of the Board, I wish to express my utmost gratitude to our shareholders for the steadfast trust and confidence in JAKS. I also wish to convey my deep appreciation to our employees, as well as the management team and the Boards of all the companies under our Group, for their worthy sacrifices, hard work and loyalty. My sincere thanks to the many external partners that worked with or alongside us. Our heartfelt appreciation also to our valued customers and clients, business associates, bankers, government departments and agencies, vendors, suppliers and all others who have lent us their unwavering confidence, support and cooperation.

I would also like to take this opportunity to thank my fellow Board members for their guidance and counsel. I am grateful that JAKS has a formidable Board with the vision, expertise and experience to provide sound counsel and corporate strategies to propel our Group to greater heights.

Tan Sri Dato' Hj. Abd. Karim Bin Shaikh Munisar
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS



Forward-Looking Statement

This Management Discussion and Analysis ("MD&A") contains forward-looking statements with respect to expected financial performance, strategy and business conditions. The words "believe", "estimate", "plan", "expect", "intend", "will" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements reflect management's current beliefs with respect to future events and are based on information currently available to the management. Forward-looking statements involve significant known and unknown risks and uncertainties. Many factors could cause actual results, performances or achievements to be materially different from any future forward-looking statements. The Company and management assume no obligation to update or revise them to reflect new events or circumstances except as required by securities laws. The Company and management caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made.

Introduction

This MD&A dated 30 April 2025, was approved by the Board of Directors of JAKS Resources Berhad ("JAKS" or "Company") and reflects all material events for the financial year ended (FYE) 2024. It should be read in conjunction with the Audited Financial Statements of the Group and the Company, including the notes thereof, for the financial year ended 31 December 2024 ("FYE2024").

Group Financial Review

The JAKS Group achieved profit before tax of RM46.8 million in FYE2024, an increase of more than three folds from the profit before tax in FYE2023 of RM12.1 million. This was possible with the continued contribution of share of profit from the Group's JAKS Hai Doung Vietnam joint venture amounting to RM121.6 million in FYE2024, and the net gain on disposal of land amounting to RM54.6 million but partially offset by a net impairment loss on receivables of RM53.3 million in FYE2024. After accounting for an income tax expense of RM6.3 million, the Group recorded a profit after tax of RM40.5 million, compared to RM11.8 million in FYE2023. The higher tax payment for the year is mainly due to the real property gain tax in relation to the disposal of property sold.

JAKS closed FYE2024 with a higher revenue of RM50.9 million, an increase of 29% against the previous year, primarily due to the increase in the revenue from the Power Energy division with the recognition of a full year's revenue and improvement in rental income from the investment properties and Investment divisions. However, the higher cost of sales in FYE2024 affected the gross profit that reduced from RM31.2 million in FYE2023 to RM8.0 million in FYE2024.

Other income in FYE2024 recorded at RM60.8 million was derived mainly from the net gain on disposal of land amounting to RM54.6 million.

The Company declared its first interim dividend of 0.5 sen per ordinary share for FYE2024 with the Dividend Reinvestment Plan (DRP) and cash dividend amounting to RM13.0 million.

Management Discussion And Analysis

(cont'd)

Assets and Liabilities

The Group's total asset in FYE2024 of RM2,355.6 million was lower than FYE2023 of RM2,389.2 million in FYE2023, a reduction of RM33.6 million. While the depreciation charges and impairment of receivables contributed to the decrease during the year, the net gain from the land disposal in Nibong Tebal helped mitigate it to some extent.

For the FYE2024, the total liabilities decreased by RM88.4 million from RM970.8 million in FYE2023 to RM882.4 million in FYE2024. The decrease was mainly due to lower trade and other payables and bank borrowings by RM50.9 million and RM37.0 million respectively.

Total equity for FYE2024 was at RM1,473.2 million compared to RM1,418.3 million in the previous year with the profit achieved and the increase in share capital following the private placement exercise during the year.

The Group's basic earnings per share for FYE2024 at 2.27 sen was higher than the basic earnings per share in FYE2023 of 0.75 sen even with the higher weighted average number of ordinary shares in issue of 2,513,271,678 shares as compared to 2,226,032,430 shares in the preceding year. The Company had issued and listed 236,985,000 new Placement Shares, raising approximately RM29.8 million during the year.

The Group's net assets per share was RM0.60 as at 31 December 2024 compared to RM0.62 as at 31 December 2023 despite higher profits achieved in the year due to the enlarged share capital base arising from the Private Placement.

Sustainability

As an aspiring regional leader in the power, construction, and property investment sectors, the Group is committed to integrating environmental stewardship with the delivery of exceptional services. Innovation lies at the core of the Group's business, driving efforts to create a lasting positive impact on both society and the environment. Anchored by our vision and mission, we continuously evolve to meet the demands of a sustainable future.

Please refer to the Sustainability Statement included in this Annual Report on the specific sustainability targets that we have embraced to measure progress. The report reflects our commitment to sustainable excellence across our entire operational landscape for the financial year ended 31 December 2024.

Liquidity and Capital Resources

At the end of FYE2024, the Group's current ratio, a yardstick that measures the state of the Group's financial liquidity, stood at 1.03 times (FYE2023: 1.08 times). A current ratio of more than 1 indicates the Group's ability to meet its short-term obligations. The table below highlights the major cash flow components for FYE2024 and FYE2023.

	FYE2024 RM'000	FYE2023 RM'000	Change RM'000
Cash flows (used in) / from operating activities	(43,456)	(11,260)	(32,196)
Cash flows (used in) / from investing activities	100,106	(32,330)	132,436
Cash flows from / (used in) financing activities	(47,596)	41,594	(89,190)
(Decrease) / Increase in cash and cash equivalents	9,054	(1,996)	11,050

The higher cash used in operating activities in FYE2024 was mainly due to the net changes in working capital particularly in payables.

The net cash from investing activities in FYE2024 was mainly due to the proceeds received from the disposal of land and dividends received from the Vietnam joint venture, amounting to RM27.4 million.

The Group's net cashflow used in financing activities was RM47.6 million in FYE2024. These compares with a net cashflow from financing activities of RM41.6 million in FY2023 due to higher bank borrowings repayment in FYE2024.

Management Discussion And Analysis (cont'd)

Borrowings

The Group's total borrowings decreased to RM456.4 million as at 31 December 2024 compared to the borrowings as at 31 December 2023 of RM493.4 million. Consequently, the gearing ratio decreased from 0.30 times to 0.26 times. The decreased in gearing was mainly due to repayment of bank borrowings using the proceeds from the Private Placement and dividend received.

Review of Operating Activities – Power-Energy Division

The Power-Energy division recognised a full year's contribution in 2024 to the Group with revenue of RM18.8 million, representing 36.9% (FYE2023: 19.2%) of the total Group revenue. Due to the depreciation charges and interest expense, this division achieved a profit before tax of RM0.9 million in FYE2024.

The revenue is generated by the 50 MW solar farm project named JAKS Solar Nibong Tebal in Seberang Perai, Pulau Pinang under the Large Scale Solar 4 (LSS4) scheme by the Energy Commission of Malaysia. JAKS Solar Nibong Tebal has received notable recognition and is the first among the four 50 MW LSS4 recipients to reach commercial operation. The project plays a strategic role in supporting Malaysia's renewable energy transition and contributes to national commitments under the United Nations COP26 framework, targeting carbon neutrality by 2050. The power purchase agreement with Tenaga Nasional Berhad, initially for 21 years, was extended to 25 years by the Energy Commission to address rising solar panel costs.

JAKS' entry into the power sector was marked by its strategic joint venture with China Power Engineering Consulting Group Co. Ltd. (CPECC) on the development of the USD1.87 billion Hai Duong Build-Operate-Transfer (BOT) Thermal Power Plant in Vietnam, with an installed capacity of 1,200 MW and an expected annual output of 7.5 billion kilowatt-hours. Backed by a long-term power purchase agreement with the Vietnamese government, the plant benefits from fixed capacity payments and energy payments that cover variable costs, ensuring a stable and predictable income stream over a 25-year concession period. Operated by JAKS Hai Duong Power Company Limited—of which JAKS holds a 30% equity stake—the joint venture has delivered consistent profit contributions. For FYE2024, JAKS recorded a share of profit of RM121.6 million, slightly lower than RM131.1 million in the prior year due to higher operating costs. The joint venture also declared dividends totalling RM27.4 million for FYE2024, matching the previous year, reflecting sustained returns from this strategic investment.

The Malaysian Government opened the Fifth Large Scale Solar (LSS5) scheme in April 2024, a competitive bidding program aimed at developing large-scale solar photovoltaic plants to increase renewable energy capacity. It involves offering a quota of 2,000 MW of solar power capacity. The scheme is structured into four packages, each with specific capacity ranges and eligibility criteria. JAKS has collaborated with China Power Engineering Consulting Group International Engineering Co., Ltd. to bid for this project and has identified a site in Terengganu for this project.

In 2024, JAKS entered into a Memorandum of Understanding (MOU) with CALB Group Co., Ltd. ("CALB"), a Hong Kong-listed leader in lithium-ion battery technology, to explore collaboration in the Battery Energy Storage System (BESS) market, with a focus on Southeast Asia. The partnership aims to support cross-border renewable energy (RE) initiatives in Malaysia and includes plans to establish a joint venture for the production and integration of battery modules and packs using CALB's advanced battery cells. CALB brings deep expertise across the entire battery value chain—from materials development to battery management systems—positioning the partnership at the forefront of energy storage innovation. As energy storage becomes a critical enabler for grid stability and RE scalability, this collaboration enhances JAKS' capabilities to deliver integrated RE solutions. It also positions the Group to benefit from growing demand and aligns with Malaysia's policy direction on RE export. With the accelerating global shift toward clean energy, this strategic move is expected to unlock new growth opportunities and create long-term value.

Management Discussion And Analysis (cont'd)

Power Energy Division – Trend and Outlook

Malaysia's solar energy sector is experiencing rapid growth, driven by technological advancements, supportive government policies, and rising corporate participation. Solar panel efficiency has improved significantly—from 15% to over 20% in the past decade—enhancing both performance and affordability. The government has set an ambitious target of achieving 31% renewable energy capacity by 2025, with solar playing a central role through initiatives such as the Large-Scale Solar (LSS) programme and Net Energy Metering (NEM) scheme. Incentives like the Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE) further attract private sector investment. In 2023 alone, Malaysia's solar capacity was projected to grow by 493 MW, reflecting strong momentum. Increasing foreign direct investment and corporate power purchase agreements are also accelerating market expansion, positioning Malaysia as a key player in the regional solar landscape and offering promising opportunities for long-term investor returns.

The evolving regional energy landscape presents significant opportunities for renewable energy providers like JAKS to generate additional revenue beyond traditional Power Purchase Agreements (PPAs). Leveraging its experience from the Hai Duong power plant in Vietnam and the LSS4 solar project in Malaysia, JAKS has initiated feasibility studies to explore renewable energy exports to Singapore—an emerging avenue aligned with Malaysia's cross-border energy ambitions. In Vietnam, the implementation of Power Development Plan 8 (PDP8) outlines an aggressive transition to renewables, targeting up to 39% renewable energy generation by 2030, supported by investments in gas, storage, and grid infrastructure. This supports the long-term relevance of JAKS' existing thermal asset while also opening new prospects in renewable project development. Looking ahead, the Group remains committed to expanding its renewable energy portfolio through local project participation, strategic collaborations, and potential M&A activities—laying the foundation for sustainable growth and long-term value creation for its stakeholders.

Review of Operating Activities - Construction Division

The Construction Division recorded revenue of RM7.3 million, representing a significant decrease of 61% compared to RM18.7 million in FYE2023. This decline was primarily attributable to lower revenue recognition from ongoing local construction projects, many of which were nearing completion during the period. The division was also impacted by a subdued construction market environment, coupled with delays in the rollout of new government infrastructure projects, which slowed the replenishment of its order book.

As a result of the reduced topline performance and ongoing cost pressures, the division reported a higher loss before tax of RM86.0 million in FYE2024, compared to a loss of RM57.3 million in the previous year. The weaker performance was further affected by higher operating costs, including a provision for impairment on receivables amounting to RM56.3 million, reflecting a more cautious stance on receivable recoverability in the current market environment.

The Construction Division remains focused on its core capabilities in construction management and infrastructure delivery, with key project areas in FYE2024 involving sewerage treatment plants, as well as power and water-related infrastructure facilities. While current challenges have weighed on near-term performance, the Group continues to position the Construction Division for recovery and long-term resilience. Strategic efforts are underway to secure new contracts, optimize cost structures, and explore potential public-private partnerships in order to rebuild the division's revenue base and return it to profitability in the coming financial periods.

Construction Division – Trend and Outlook

The Malaysian construction industry is expected to maintain its upward growth trajectory into 2025, with the sector projected to reach USD41.85 billion. This positive outlook is supported by robust government spending on infrastructure, increased adoption of construction technology, and a stronger push toward sustainable development. Key growth areas include affordable housing, mixed-use developments, and large-scale infrastructure projects, many of which are driven through Public-Private Partnerships (PPPs) and national development plans.

In line with these favourable market conditions, the Group remains optimistic about the recovery and future prospects of its Construction Division. Efforts are actively underway to secure new, high-quality infrastructure projects that offer healthy margins and long-term value. The division is currently in advanced negotiations for several projects across key segments such as water and sewerage treatment, pipe replacement and treatment systems, and flood mitigation infrastructure.

Management Discussion And Analysis (cont'd)

Construction Division – Trend and Outlook (Cont'd)

These opportunities are aligned with national priorities and sustainability goals, and the Group is confident that its strong track record, technical capabilities, and strategic positioning will enable it to convert a meaningful portion of the tender pipeline into secured contracts—effectively replenishing its order book and strengthening future revenue visibility.

Review of Operating Activities - Property Investment Division

In FYE2024, the Property Investment Division generated revenue of RM13.7 million, marking a 34% increase from RM10.3 million in FYE2023. The improved revenue performance was primarily driven by better occupancy rates at the Group's key investment properties. However, the division recorded a loss before tax of RM32.9 million, compared to a loss before tax of RM6.3 million in the previous year. The variance was largely due to a one-off reversal of accrued development expenditure of RM24.5 million in FYE2023, which was not repeated in the current year. Additionally, the division incurred fixed operating and finance costs in FYE2024, which could not be fully offset by revenue.

The Group's Investment properties consists of:

- i) Pacific Towers Business Hub, a 4-storey retail and office complex located in Section 13, Petaling Jaya, with a net lettable area (NLA) of approximately 290,078 square feet. Occupancy rate stands at 53.3%.
- ii) Evolve Concept Mall, a 4-storey lifestyle shopping destination with a total NLA of approximately 394,686 square feet. Occupancy rate stand at 73.3%.

The broader retail sector has shown signs of recovery in 2024, with higher footfall across shopping malls nationwide. This trend bodes well for the Group's investment properties, offering the potential to attract new tenants and boost rental yields. Nevertheless, the sector faces headwinds from global economic uncertainties, rising operational costs, revisions to the Employment Act, supply chain disruptions, and significant increases in electricity tariffs. These factors may limit margin improvements for tenants, indirectly affecting leasing dynamics.

Despite these challenges, the Group remains committed to driving performance in its property investment portfolio. Strategic efforts are being undertaken to enhance tenant mix, strengthen mall management practices, and optimise marketing efforts to target the right consumer demographics. With these initiatives, the Group aims to further improve occupancy levels, increase rental income, and support a sustainable recovery of its retail and commercial assets over the medium to long term.

Review of Operating Activities – Investment Holding & Others Division

The revenue derived from the investment holding & others division relates mainly to management fees charged by JAKS to the subsidiary companies amounting to RM7.8 million and the dividend income from JAKS Power Holding Limited of RM26.9 million in FYE2024. During the year 2024, an opportunity arose for JAKS to dispose off several parcels of land in Seberang Prai, Penang for consideration of RM77.7 million. A net gain on disposal of RM54.6 million was recognised for these divisions leading to a profit before tax of RM95.4 million in FYE2024 compared to the loss before tax of RM158.0 million in FYE2023.

Future Growth

For 2025, the global economy is anticipated to be sustained by positive labour market conditions, moderating inflation and less restrictive monetary policy. Disinflation in most advanced economies is expected to continue, facilitated by moderating commodity prices and dissipating effects of past monetary policy tightening. Global trade is expected to remain supported by the continued tech upcycle. However, the outlook for global growth, inflation and trade is subject to considerable uncertainties surrounding tariff and other policies from major economies and geopolitical developments. Such uncertainties could also lead to greater volatility in the global financial markets.

Management Discussion And Analysis (cont'd)

Future Growth (Cont'd)

The Malaysian economy recorded a higher growth of 5.1% in 2024, driven by stronger domestic demand and a rebound in exports. Moving forward, despite external uncertainties, the strength in economic activity is expected to be sustained in 2025, anchored by domestic demand. Employment and wage growth, as well as policy measures, including the upward revision of the minimum wage and civil servant salaries, will support household spending. The robust expansion in investment activity will be sustained by the progress of multi-year projects in both the private and public sectors, the continued high realisation of approved investments, as well as the ongoing implementation of catalytic initiatives under the national master plans. Amid global policy uncertainties, exports are expected to expand at a more moderate pace. Nevertheless, exports will remain supported by the global tech upcycle, continued growth in non-electrical and electronics, as well as higher tourist spending. The growth outlook is subject to downside risks from an economic slowdown in major trading partners following significant uncertainties surrounding trade policies and lower-than-expected commodity production. Meanwhile, growth could be lifted by greater spill-overs from the global tech upcycle, more robust tourism activity, and faster implementation of investment projects.

Vietnam's economic outlook for 2025 is highly positive, and industries are primed for investment-led growth include manufacturing, technology, retail, and renewables. The country surpassed all socio-economic targets set for 2024, with GDP growth exceeding 7%. This strong performance lays the groundwork for continued momentum in 2025, as Vietnam intensifies efforts to advance digitalization and accelerate its green transition. Vietnam is making strides in implementing its net zero transition plans, raising awareness among local businesses about the government's sustainability commitments. Moreover, Vietnam's renewable energy potential is vast. As the most naturally suited country in Southeast Asia for wind and solar energy development, Vietnam ranks second among developing countries in attracting foreign direct investment (FDI) in the renewable energy space.

The Group remains firmly committed to executing its core growth strategies, with a particular focus on expanding and diversifying its Power-Energy division. In line with global energy transition trends, the Group is prioritizing investments in the renewable energy sector, positioning itself to capture emerging opportunities and contribute meaningfully to future powered by sustainable energy. Building on its proven track record in delivering the energy infrastructure projects, the Group will also continue to pursue and secure high-value infrastructure contracts—especially in power-related infrastructure—to ensure a healthy and recurring replenishment of its order book. This strategic emphasis not only supports revenue visibility but also reinforces the Group's positioning as a reliable and capable partner in large-scale infrastructure development.

While Malaysia remains a key market, the Group is actively exploring regional growth opportunities, with Vietnam identified as a high-potential market due to its ambitious infrastructure development agenda and growing demand for energy solutions. By leveraging its expertise and experience, the Group aims to play a meaningful role in Vietnam's infrastructure expansion while establishing a broader regional footprint. Together, these initiatives form a balanced and forward-looking growth strategy aimed at strengthening the Group's market position, enhancing revenue diversity, and creating long-term value for shareholders.

Risk Management

In line with its commitment to enhancing shareholder value, the Company has embedded a comprehensive Enterprise Risk Management (ERM) Framework across its operations. This framework is aligned with internationally recognized standards, specifically ISO 31000:2009, ensuring a systematic, structured, and consistent approach to identifying, assessing, and managing risks across all levels of the organization. As part of its proactive risk management strategy, the Company maintains a strong focus on evaluating and managing third-party risks, particularly those associated with vendors and contractors. Assessment and the monitor of the risk profiles of external partners ensures that all collaborations support project continuity and operational excellence. This mechanism helps prevent disruptions caused by third-party dependencies and enhances the reliability of project delivery.

The Company recognizes that its operating environment is dynamic and influenced by a wide range of risk factors. To navigate this complexity, it continuously assesses the broader risk landscape in which it operates. Risks are categorized into key areas, each accompanied by detailed descriptions and supported by well-defined mitigation strategies. These include both preventive measures and responsive actions, aimed at minimizing exposure and strengthening the Company's overall resilience.

By institutionalizing a culture of risk awareness and ensuring robust risk controls are in place, the Company is well-equipped to safeguard its strategic interests, uphold stakeholder trust, and pursue long-term value creation with confidence.

Management Discussion And Analysis (cont'd)

Risk Management (Cont'd)

Operational Risks

Risks arising out of inefficiencies, internal failures and/or collusion from regular operations, such as:

- (i) Project opportunity risk through erroneous omission and inadequate or inappropriate assessment of a project opportunity available for development;
- (ii) Bidding risk on account of inadequate or erroneous assumptions made while arriving at the financial bid variable;
- (iii) Financing risk on account of the high capital commitment on the power plant projects;
- (iv) Project implementation risk on account of not meeting the project schedule, quality or budget; and
- (v) Ownership & maintenance risk on account of several risks faced during the operations and maintenance phase of a project.

Operational Risks – Mitigation Strategies and Efforts

The Company adopts a disciplined and methodical approach to project selection, recognizing that sustainable profitability begins with sound decision-making at the outset. Each potential project undergoes a rigorous evaluation process to ensure alignment with the Company's strategic objectives and financial goals. This includes both a technical feasibility review and a comprehensive financial viability analysis, reducing the risk of engaging in non-profitable ventures. To further enhance project quality and performance, the Company has implemented a structured bid and project risk assessment framework. This framework enables early identification of project-specific risks, allowing the management team to devise appropriate mitigation strategies and establish a system of ongoing monitoring throughout the project lifecycle.

At the operational level, the Company has institutionalized Standard Operating Procedures (SOPs) across all functions and departments. These SOPs promote efficiency, enforce accountability, and ensure consistent execution of key business processes. To further reinforce governance and oversight, these procedures are supported by robust internal control mechanisms, including a risk-based internal audit program, a comprehensive documentation management system, and a clearly defined delegation of financial and non-financial authority. Together, these practices create a strong foundation for a culture of proactive risk management, embedded across all levels of the organization. With these support systems in place, the Company is well-positioned to safeguard stakeholder interests, enhance operational resilience, and deliver long-term value creation.

External Risks

Risks arising out of changes in the external environment, such as:

- (i) Interest rate risk on account of the capital markets' volatile interest rates on outstanding project debts;
- (ii) Competition risk on account of strategies adopted by existing and new entrants in the infrastructure development business; and
- (iii) Natural calamities (Act of God), civil disturbance etc.

External Risks – Mitigation Strategies and Efforts

The Company maintains a proactive and forward-thinking approach to external changes, continuously scanning the business environment for emerging trends, regulatory shifts, and market dynamics. Through early identification and strategic planning, the Company is well-prepared to address potential disruptions and capitalize on new opportunities. Also, rather than just maintaining operations during change, the Company is committed to sustainable growth, driven by well-structured and adaptive business processes. These enable it not just to withstand external pressures, but to evolve and outperform in a competitive landscape.

A comprehensive understanding of the competitive ecosystem ensures the Company remains agile and responsive. There is regular benchmarking and industry monitoring, allowing the Company to stay ahead of peers and deliver differentiated value to stakeholders. To manage external risk effectively, the Company employs an integrated strategy that encompasses client relationships, strategic partnerships, vendor engagements, and contract management. This holistic approach enhances operational resilience and minimizes exposure to third-party risks.

While certain events, such as natural disasters, are beyond human control, the Company has instituted robust contingency measures, including comprehensive insurance coverage. These safeguards ensure business continuity and allow for swift recovery, protecting shareholder value and operational integrity.

SUSTAINABILITY STATEMENT



Sustainability Statement (cont'd)

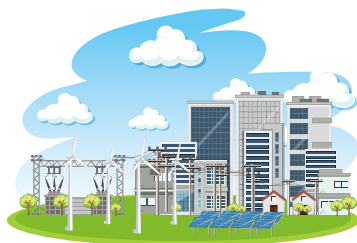
ABOUT THIS STATEMENT

JAKS Resources Berhad and its subsidiaries ("JAKS" or "the Group") presents its Sustainability Statement ("the Statement" or "SS2024"), which provides a comprehensive account of the Group's strategic initiatives, progress, and achievements in managing our Economic, Environmental, Social, and Governance ("EESG") impacts. This report reflects our commitment to sustainable excellence across our entire operational landscape for the financial year ended 31 December 2024 ("FY2024").

As an aspiring regional leader in the power, construction, and property investment sectors, JAKS is committed to integrating environmental stewardship with the delivery of exceptional services. Innovation lies at the core of our business, driving our efforts to create a lasting positive impact on both society and the environment. Anchored by our vision and mission, we continuously evolve to meet the demands of a sustainable future.

Reporting Scope and Boundary

The scope and boundary of sustainability disclosures cover JAKS and its subsidiaries, consolidated under its full management control. The following diagram represents the business divisions under purview of the Group.



Power Division



Construction Division



Property Investment Division

While the JAKS Hai Duong Power Plant remains significant within the Group's portfolio, it is excluded from the Statement as the Group does not pertain to its management or operational control. Similarly, unless mentioned otherwise, all associates, outsourced activities and operations of joint venture companies are excluded from the Statement. However, the Group remains cognisant of the potential ESG impacts emerging from its broader value chain.

In alignment with our sustainability commitment, we continue to embed responsible practices and a strong sustainability culture across our extended network of business partners, suppliers, and contractors.

Reporting Standards & Guidelines

This Statement was prepared based on all available internal information in accordance with Paragraph 29, Part A of Appendix 9C and Practice Note 9 of Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements ("MMLR") relating to sustainability statement and its Sustainability Reporting Guide 3rd Edition, and other international sustainability frameworks or standards as follows: -



Bursa Malaysia Sustainability
Reporting Guide (3rd Edition)

IN ACCORDANCE



Global Reporting Initiative
("GRI") 2021 (Core Option)

WITH REFERENCE



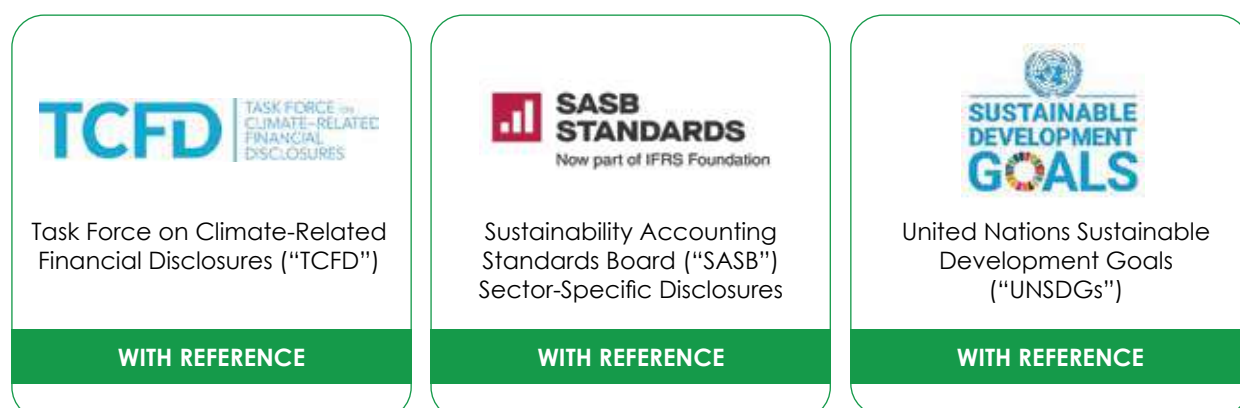
FTSE4Good

FTSE4Good Bursa Malaysia
("F4GBM") Index

WITH REFERENCE

Sustainability Statement

(cont'd)



Reporting Period

SS2024's reporting period is from 1 January 2024 to 31 December 2024 ("FY2024"), unless specified otherwise. SS2024 portrays a 3-year statistical data for most disclosures, where applicable, to establish meaningful trend lines that allow readers to monitor better and understand the comparative performance achieved.

Data Collection & Quality

The Statement's content and quality remain guided by GRI principles as well as emerging trends and opportunities within the Group's operating environment. Performance data reported in SS2024 was internally sourced, verified and validated by the respective business divisions and information owners. Where possible, disclosures are presented over a three-year time frame on a rolling basis to derive performance trends.

Moving forward, the Group remains diligent in continually improving its data collection and analysis processes to enhance data accuracy and quality as well as bolster disclosures.

Limitations & Exclusions

JAKS adopts a 'local-where-we-operate' approach. Unless stated otherwise, SS2024 excludes outsourced activities and operations that fall outside the Group's full management control.

The Group also acknowledges ongoing challenges in data collection for certain sustainability indicators. We are actively working to enhance our internal data tracking and management mechanisms, ensuring greater accuracy and transparency in future reporting.

Forward-Looking Statement

SS2024 covers forward-looking statements on targets, plans, operations and performance of the Group based on reasonable assumptions on current business trajectories. As our business is always subject to risks and unforeseen circumstances beyond its control, readers are advised not to heavily rely on such statements as actual results may differ.

Statement of Use

The Board of Directors ("Board") of JAKS, being the Group's top decision-making authority, recognises its responsibility for the following declaration: The information presented by JAKS for FY2024 has been diligently prepared in accordance with the GRI Standards. This report has been prepared in accordance with a resolution passed by the Board of Directors on 23 April 2025.

Assurance Statement

The Statement has not been subjected to an assurance process. Nevertheless, the information and data disclosed have been reviewed by the data owners and respective business divisions to ensure the SS2024 provides a fair and accurate account of JAKS' sustainability efforts and outcomes. While no assurance was commissioned for sustainability disclosures, financial data included in this Statement have been independently audited and can be cross-referenced with JAKS' Financial Report. The Group is dedicated to continuously improving its data collection and analysis processes to ensure the accuracy and reliability of the information provided.

Sustainability Statement (cont'd)

Membership in Associations

The Group is a member of the following associations/professional bodies:

- Malaysian Employers Federation ("MEF")
- Master Builders Association Malaysia ("MBAM")
- Construction Industry Development Board ("CIDB")
- Suruhanjaya Perkhidmatan Air Negara ("SPAN")
- ISO 9001:2015 by SGS United Kingdom Ltd and SGS (Malaysia) Sdn Bhd
- ISO 45001: 2018 by AJA EQS Certification (M) Sdn Bhd
- Malaysia Photovoltaic Industry Association ("MPIA")
- Pihak Berkuasa Pembangunan Tenaga Lestri Malaysia ("SEDA Malaysia")

Report Availability & Feedback

The SS2024 and past reports can be downloaded at <https://www.jaks.com.my/> as well as the website of Bursa Securities. Any request for clarification or feedback on this Statement and any aspects of sustainability practices and performance may be channelled to ir@jaks.com.my.

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Dear Stakeholders,

FY2024 has been notable for JAKS Resources Berhad, marked by significant milestones in our journey towards sustainable and responsible growth. As a regional leader in infrastructure construction, property development, and power generation, we remain steadfast in our mission to empower lives with reliable energy while advancing sustainability across our operations.

Recognising the growing urgency of climate change, we have taken decisive steps to enhance our climate resilience and elevate our climate-related disclosures by conducting a comprehensive climate risk assessment aligned with the Task Force on Climate-related Financial Disclosures ("TCFD") and IFRS S2 requirements. These efforts reinforce our commitment to embedding sustainability at the core of our business strategy, ensuring we proactively address evolving economic, environmental, social, and governance ("EESG") challenges.

Guided by our sustainability objectives, we continue to drive innovation, enhance operational efficiencies, and deliver sustainable growth. In FY2024, we achieved a significant milestone with the installation of solar photovoltaic panels at our 50MW solar plant in Nibong Tebal. This initiative is expected to contribute to a more sustainable energy mix in the upcoming reporting period, reinforcing our ambition to reduce reliance on conventional power sources. In the interim, we recorded a notable 36.43% reduction in total energy consumption — a testament to the positive impact of our ongoing energy efficiency measures, particularly within our Property Investment Division. Complementing our environmental efforts, we have also continued to make meaningful strides in our social priorities. Our commitment to diversity and inclusion is reflected in a workforce comprising 46% women, underscoring our drive to build an equitable, collaborative, and future-ready organisation. Acknowledging the importance of talent development and retention, we have also delivered a total of 720 training hours involving 51 employees, reinforcing our investment in human capital. On the governance front, we upheld our principles of integrity and transparency, recording zero incidents of non-compliance, corruption, or substantiated data breaches. These achievements collectively underscore our steadfast dedication to delivering positive impact across all pillars of sustainability as we continue to align growth with responsibility.



Sustainability Statement
(cont'd)

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER (Cont'd)

Looking ahead, we are committed to cultivating a sustainability-driven culture, empowering our employees through continuous learning and development, and leveraging technological innovations to enhance our competitive edge. By integrating sustainability into our corporate ethos, we aim to create lasting value for our stakeholders - from our employees and customers to our shareholders and the communities we serve.

Thank you for your continued trust and support as we forge ahead. Together, let us build a future defined by resilience, responsibility, and shared prosperity.

Sincerely,

ANG LAM POAH
Chief Executive Officer
JAKS Resources Berhad

ESG HIGHLIGHTS & ACHIEVEMENTS

RM 78 mil of economic value distributed to stakeholders	Adherence to ISO9001:2015 ISO14001:2015 for construction projects	ZERO substantiated complaints concerning breaches of customer privacy and losses of customer data
Scope 2 reduced by 33.93% amounting to 2,917 tCO₂e	Scope 3 expanded to include Business Travel	0.05 tonnes of waste diverted from disposal
14.12 average training hours per employee	ZERO confirmed incidents of human rights violations	46% of women representation in total workforce of 110
ZERO incidents/fines for environmental and socio-economic non- compliance	ZERO confirmed incidents of corruption	100% employees have received training on anti-corruption policies and procedures

Sustainability Statement (cont'd)

SUSTAINABILITY GOVERNANCE

JAKS recognises that strong sustainability governance is fundamental to driving responsible business practices and long-term value creation. To ensure the seamless integration of sustainability across our operations, the Board of Directors ("Board") and its committees have expanded their oversight to include sustainability-related responsibilities, including climate-related matters.

Board of Directors ("BOD" or the Board)

- Holds ultimate responsibility for driving and overseeing the Group's sustainability initiatives.
- Ensures alignment between our sustainability efforts and strategic plan to support long-term value creation.
- Maintains oversight on climate-related issues, along with other sustainability-related issues.
- Ensures that the contents of the Statement are guided by quality, transparency and timeliness.
- Provide final approval for proposed sustainability initiatives and relevant material sustainability matters.

Sustainability Committee ("SC")

Consists of an Independent Non-Executive Director, an Executive Director and Chief Executive Officer

- Supports the Board in driving the strategic management of the Group's material sustainability matters.
- Monitors communication and awareness efforts relating to sustainability.
- Leads the development of sustainability objectives, targets, and policies and monitors its implementation.
- Provides recommendations to Management and reporting on plans and progress related to sustainability matters to the Board of Directors.

Management Team

Consists of Department Heads led by the Chief Executive Officer

- Designs, executes, and implements the day-to-day sustainability programmes and initiatives.
- Tracks, monitors, and reports on key sustainability indicators for ongoing performance evaluation.
- Reports initiatives, plans, and progress on sustainability matters to the SC.

The Board remains well-informed on sustainability management through ongoing training programmes, conducted as needed to address evolving sustainability requirements. This ensures that Board members are equipped with the necessary knowledge to make strategic, well-informed decisions. Furthermore, the Board periodically evaluates sustainability-related competencies to strengthen leadership and oversight, particularly in managing ESG risks.

On 23 April 2025, the Sustainability Committee convened to review JAKS' sustainability progress, deliberate on the draft Sustainability Statement for the financial year ended 31 December 2024, and provide further recommendations. Board approval for the Sustainability Statement was subsequently obtained on 23 April 2025.

Sustainability Statement

(cont'd)

Policies and Frameworks

Sound governance at JAKS is supported and reflected in a comprehensive suite of policies, codes, charters, terms of references ("TOR"), and guidelines, which serve as a foundation for responsible decision-making and operational excellence. These frameworks, accessible online at <https://www.jaks.com.my/investors.php>, govern various aspects of our business, ensuring transparency, accountability, and sustainability.

To maintain their relevance and effectiveness, these policies are periodically reviewed and updated, reflecting evolving industry standards and regulatory requirements.



Sustainability Statement (cont'd)

Policies and Frameworks (Cont'd)

SUSTAINABILITY POLICY

Sustainability is embedded in our business philosophy, guiding the way we operate, innovate, and create value. Our Sustainability Policy, formalised in 2020, provides a structured framework that integrates Economic, Environmental, Social, and Governance ("EESG") considerations into our strategic and operational decision-making.

Integrate the principles of sustainability into the Group's strategies, policies, and procedures

Develop and promote sustainable practices within the Economic, Environmental, Social, and Governance framework

Ensure that the Board and the Management are involved in the implementation of this policy and review the sustainability performance

Create a culture of sustainability within the Group, and the community, with an emphasis on integrating the environmental, social and governance considerations into decision making and the delivery of outcomes.


This policy underscores our commitment to resilience, accountability, and sustainable growth, ensuring that we continuously enhance our impact across all aspects of our business. It serves as a blueprint for responsible practices, driving innovation and reinforcing our role in building a more sustainable future.

The full Sustainability Policy is available online at <https://www.jaks.com.my/investors.php>.

STAKEHOLDER ENGAGEMENT

At JAKS, we prioritise meaningful and continuous engagement with our stakeholders, recognising their crucial role in shaping our sustainability journey. We actively seek feedback and foster open dialogue to better understand evolving expectations, interests, and concerns.






Through ongoing engagement, we ensure that stakeholder insights inform our approach, enabling us to identify and address material issues effectively while driving sustainable value creation across our operations.

Stakeholders	Areas of Interest/Concern	Engagement Approaches & Frequency	Material Topics
 Shareholders/ Investors	<ul style="list-style-type: none">• Business strategy• Sustainable financial returns• Corporate governance and regulatory compliance• Share price performance and dividend payout	<ul style="list-style-type: none">• Annual General Meetings ("AGMs")• Annual reports• Quarterly financial reports• Bursa announcements• Press releases• Company website and social media platforms	<ul style="list-style-type: none">• Economic Presence & Sustainability Profitability• Indirect Economic Impact• Anti-Corruption

Sustainability Statement



(cont'd)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholders	Areas of Interest/Concern	Engagement Approaches & Frequency	Material Topics
 Customers	<ul style="list-style-type: none"> Product quality and services Customer service and experience Health and safety Customer data and privacy 	<ul style="list-style-type: none"> Monthly progress meetings and reports Company website and social media platforms Corporate events and correspondences 	<ul style="list-style-type: none"> Economic Presence & Sustainability Profitability, Indirect Economic Impact Anti-Corruption
 Bankers/Financiers	<ul style="list-style-type: none"> Business strategy and performance Business and industry outlook Group financial performance 	<ul style="list-style-type: none"> AGMs Annual reports Quarterly financial reports Bursa announcements Company website and social media platforms Banking facility review 	<ul style="list-style-type: none"> Economic Presence & Sustainability Profitability Energy Efficiency
 Government/Authorities	<ul style="list-style-type: none"> Regulatory compliance Corporate governance Labour practices 	<ul style="list-style-type: none"> Submission of reports required under regulations Periodic visits and inspections Compliance audits Official announcements Seminars and trainings 	<ul style="list-style-type: none"> Anti-Corruption Environmental Compliance Employee Management
 Suppliers/Sub-Contractors	<ul style="list-style-type: none"> Fair and transparent procurement practices Health, safety, and environment Corporate governance 	<ul style="list-style-type: none"> Annual supplier audit and evaluation Supply contract negotiation Email and physical communications Tenders' exercises and meetings 	<ul style="list-style-type: none"> Indirect Economic Impact Anti-Corruption Procurement & Supply Chain Occupational Health & Safety
 Employees	<ul style="list-style-type: none"> Career development and advancement Competitive remuneration and benefits Occupational health and safety Diversity and inclusivity Employee satisfaction Company culture and working environment 	<ul style="list-style-type: none"> Annual performance appraisal Annual dinners and festival functions Company emails and newsletters Involvement in community activities Periodic department meetings Regular training and development 	<ul style="list-style-type: none"> Indirect Economic Impact Occupational Health & Safety Employee Management Training & Development Engagement with Internal and External Communities Diversity & Equal Opportunity

Sustainability Statement (cont'd)

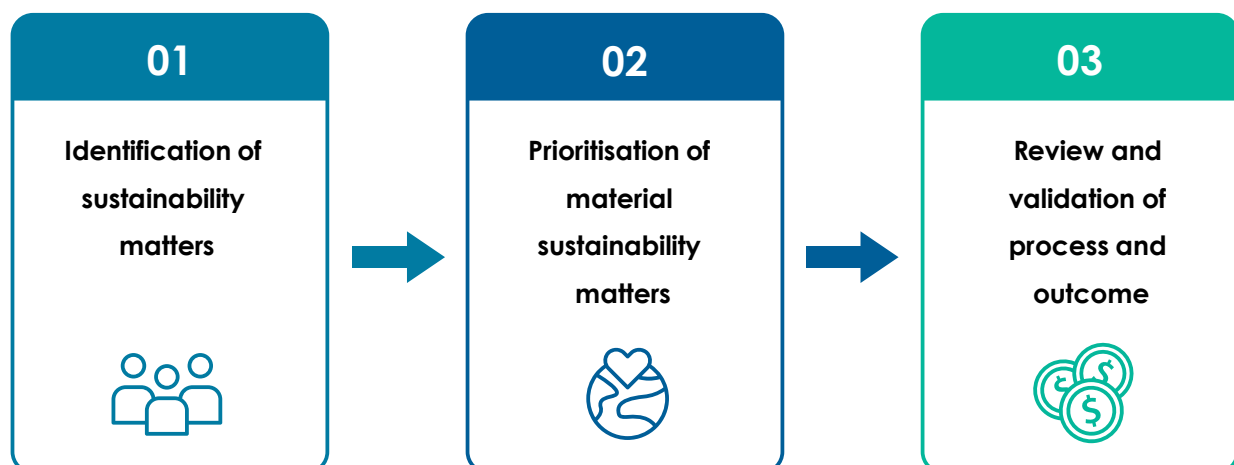
STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholders	Areas of Interest/Concern	Engagement Approaches & Frequency	Material Topics
 Local Communities	<ul style="list-style-type: none"> Environmental and social well-being Community investment, development, and impact 	<ul style="list-style-type: none"> Community outreach activities Donations and financial aids 	<ul style="list-style-type: none"> Engagement with Internal and External Communities Waste Management Water Management
 Media	<ul style="list-style-type: none"> Business development and expansion Products and services 	<ul style="list-style-type: none"> Press releases and interviews Company website and social media platforms Advertisements 	<ul style="list-style-type: none"> Engagement with Internal and External Communities Economic Performance & Sustainable Profitability Indirect Economic Impact

MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS

JAKS acknowledges that material sustainability matters are essential in shaping our long-term business strategy and stakeholder relationships. These matters influence our decision-making and reflect the evolving economic, environmental, and social landscape.

The materiality assessment was conducted through a structured process involving key senior management and independent consultants, who provided an in-depth analysis of our business operations and risk areas. The process of determining material topics is outlined as follows: -



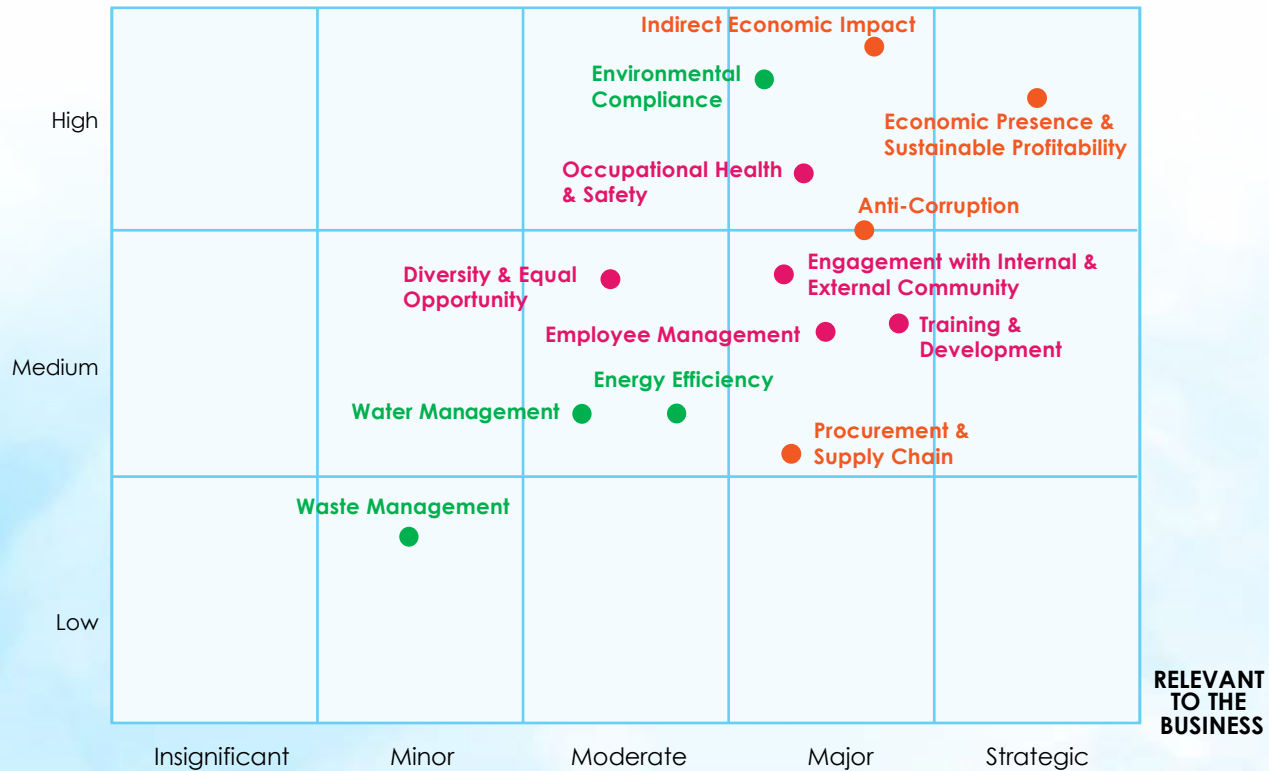
In FY2024, we conducted a review of the regrouped materiality matrix to ensure its continued relevance. This assessment, aligned with JAKS' business strategy and industry frameworks, reaffirmed that the identified material matters remain pertinent to our operations and stakeholder expectations. The review process was led by Management and subsequently endorsed by the Sustainability Committee and the Board.

Moving ahead, we aim to further enhance our materiality assessment by adopting a double materiality approach and involving broader stakeholder groups in the assessment. This will enable us to gain holistic perspectives of the financial implications of sustainability matters on JAKS, while also evaluating their wider impact on communities and the environment.

Sustainability Statement

(cont'd)

RELEVANT
TO THE
STAKEHOLDERS



RELEVANT
TO THE
BUSINESS

Legend

● Economic ● Environment ● Social

Economic	Environment	Social
<ul style="list-style-type: none"> Economic Performance & Sustainable Profitability Indirect Economic Impact Anti-Corruption Procurement & Supply Chain 	<ul style="list-style-type: none"> Environmental Compliance Energy Efficiency Water Management Waste Management 	<ul style="list-style-type: none"> Occupational Health & Safety Engagement with Internal & External Community Training & Development Employee Management Diversity & Equal Opportunity

Sustainability Statement (cont'd)

SUSTAINABILITY RISKS AND OPPORTUNITIES

JAKS implements robust risk management practices aligned with the ISO 31000:2018 Risk Management Guidelines, enabling us to systematically identify, assess, and mitigate risks while proactively seizing opportunities related to our sustainability material matters. By embedding risk management into our decision-making processes, we enhance business resilience, operational efficiency, and long-term sustainability, ensuring that our strategies remain agile and responsive to evolving sustainability landscape.

Material Topics	Risks	Opportunities
Economic Presence & Sustainable Profitability	<ul style="list-style-type: none"> Group funding risk Group liquidity risk Credit default risk 	<ul style="list-style-type: none"> Create a long-term value for stakeholders Cost savings initiative
Indirect Economic Impact	<ul style="list-style-type: none"> Funding risk Untimely project completion 	<ul style="list-style-type: none"> Stimulate economic growth through jobs creation Foster community development
Anti-Corruption	<ul style="list-style-type: none"> Regulatory non-compliance 	<ul style="list-style-type: none"> Enhancing oversight and governance structures
Procurement & Supply Chain	<ul style="list-style-type: none"> Non-performing suppliers and / or vendors 	<ul style="list-style-type: none"> Promote sustainability throughout supply chain
Energy Efficiency	<ul style="list-style-type: none"> Health, safety & environmental hazards 	<ul style="list-style-type: none"> Improve energy performance Lower operating costs Implementing energy efficiency measures in buildings and operations to lower carbon emission
Water Management	<ul style="list-style-type: none"> Health, safety & environmental hazards 	<ul style="list-style-type: none"> Promote efficient water consumption
Waste Management	<ul style="list-style-type: none"> Health, safety & environmental hazards 	<ul style="list-style-type: none"> Adoption of 5Rs practice
Environmental Compliance	<ul style="list-style-type: none"> Health, safety & environmental hazards Regulatory non-compliance 	<ul style="list-style-type: none"> Participating in environmental certifications and initiatives to gain market advantage Integrating biodiversity considerations into urban planning and development processes to support urban biodiversity
Occupational Health and Safety	<ul style="list-style-type: none"> Health, safety & environmental hazards 	<ul style="list-style-type: none"> Brand and reputation enhancement
Employee Management	<ul style="list-style-type: none"> Loss of key staff Succession planning 	<ul style="list-style-type: none"> Continuous enhancement of employee benefits to improve the well-being and satisfaction of employees
Diversity and Equal Opportunity	<ul style="list-style-type: none"> Loss of key staff Succession planning Regulatory non-compliance 	<ul style="list-style-type: none"> Better customer and market understanding Ensuring fair labour practices, including non-discrimination and safe working conditions for all employees
Training and Development	<ul style="list-style-type: none"> Competency gap 	<ul style="list-style-type: none"> Collaboration with educational institutions and training providers to provide relevant skills and knowledge
Engagement with Internal & External Communities	<ul style="list-style-type: none"> Loss of key staff Cybersecurity risk 	<ul style="list-style-type: none"> Implementing Corporate Social Responsibility ("CSR") programmes and initiatives that support community development aligning with company values Investing in cybersecurity measures to protect against cyber threats and data breaches

Sustainability Statement

(cont'd)

SUSTAINABILITY KPIS & TARGETS

In FY2024, JAKS further strengthened its sustainability journey by reassessing its Key Performance Indicators ("KPIs") and targets to ensure stronger alignment and relevance with material sustainability matters. The refined metrics not only provide a structured framework for tracking our progress but also set a clear strategic direction for achieving our long-term sustainability objectives. This enhancement enables more informed decision-making, optimised resource allocation, and a stronger focus on delivering meaningful and measurable outcomes.

	Material Topics	Target	Status/Progress
Economic	Economic Presence and Sustainable Profitability	Maintain a 100% on-time project completion rate for all active construction projects	While there were no projects within the Construction Division scheduled for completion in FY2024, JAKS remains cognisant of the importance of timely project delivery and continues to uphold robust project management frameworks to ensure future construction activities meet the 100% on-time completion target.
Environmental	Energy Efficiency	Establish baseline data by FY2025	In FY2024, JAKS continued to build its energy profile, working towards establishing a comprehensive energy baseline by FY2025. This will ensure the baseline accurately reflects the energy demands and patterns across all divisions.
	Water Management	Establish baseline data by FY2024	
	Climate Change	Establish baseline data by FY2025	In FY2024, JAKS continued to build its emission profile, working towards establishing a comprehensive emissions baseline by FY2025. This will ensure the baseline accurately reflects the emission patterns across all divisions.
	Environmental Compliance	Zero censures/fines imposed by environmental authorities	
Social	Diversity and Equal Opportunity	Achieve 30% women representation at the Board level by FY2027	
	Respecting Human Rights	Maintain zero incidents of human rights violations annually	
	Respecting Human Rights	Maintain zero incidents of discriminations annually	
	Training and Development	Provide an average of 8 training hours per employee annually for the executive level above	
	Occupational Health and Safety	Achieve zero cases of non-compliance with occupational health and safety regulations	
	Occupational Health and Safety	Achieve zero work-related fatalities at all worksites annually	
	Occupational Health and Safety	Achieve zero lost-time injury rate annually	

Sustainability Statement (cont'd)

SUSTAINABILITY KPIS & TARGETS (Cont'd)

	Material Topics	Target	Status/Progress
Governance	Anti-Corruption	Zero confirmed incidents of corruption per annum	
	Regulatory Compliance	Zero cases of environmental and social non-compliance	
	Data Privacy and Security	Zero substantiated complaints concerning breaches of customer privacy and losses of customer data	

Achieved	In Progress	Not Achieved	Not Applicable
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ECONOMIC

Economic Presence and Sustainable Profitability

At JAKS, we place economic sustainability at the core of our corporate strategy, with strong oversight from the Board and Executive Management. Recognising that long-term business success is closely linked to the prosperity of the markets and communities we operate in; JAKS remains focused on achieving financial resilience while navigating stakeholder expectations.



Our Approach

Our approach to sustainable financial growth is twofold: JAKS ensures regulatory compliance while implementing innovative cost-management strategies. While some initiatives require significant initial investment, they are designed to generate lasting value for both the business and stakeholders. Strong governance, reinforced by clear performance metrics, continues to drive JAKS' financial strategies and ensure stability.

JAKS continues to strengthen its position in the energy sector, capitalising on global and national green economy initiatives, particularly within the renewable energy landscape. Our 50MW large-scale solar photovoltaic ("LSS4 PV") project, which became operational on 18 August 2023, marks a significant milestone in our Power Division's expansion. In line with our commitment to renewable energy adoption, we are in the process of installing solar panels at our Solar Plant in Nibong Tebal for self-consumption. This endeavour is projected to deliver substantial cost savings, with an estimated 62% reduction in our energy bill. These initiatives not only support JAKS' long-term financial growth but also contribute to Malaysia's clean energy transition, reinforcing our role in shaping a more sustainable energy landscape.

In the Construction Division, we remain proactive and agile, adapting to a shifting infrastructure landscape. While the National Budget 2023 reflected a slowdown in the announcement of large-scale projects, JAKS will continue to pursue viable opportunities through open tenders and strategic direct contracts. Our focus is on securing projects that align with our financial and operational strengths, ensuring steady revenue streams while maintaining cost efficiency. To reinforce our commitment to economic stability, JAKS has established a key performance indicator ("KPI") and target to maintain a 100% on-time project completion rate for all active construction projects. This target is directly tied to the Board's remuneration framework, ensuring alignment between leadership performance and sustainable value creation.

Sustainability Statement

(cont'd)

Economic Presence and Sustainable Profitability (Cont'd)

Meanwhile, the Property Investment Division continues to play a pivotal role in asset management and capital optimisation. JAKS manages a diverse portfolio that includes Evolve Concept Mall, Pacific Towers Business Hub, and various residential and commercial units in Pacific Towers and Pacific 63. Our priority is to enhance asset performance, optimise operational efficiencies, and explore monetisation or divestment opportunities where appropriate, ensuring that we maximise long-term financial returns while maintaining asset value appreciation.

By maintaining a structured focus on financial sustainability, JAKS remains committed to driving lasting economic value. Our Board, alongside Senior and Operational Management, continues to oversee risk assessments, strategic prioritisation, and the execution of targeted action plans. Through these efforts, we aim to generate meaningful contributions to local and regional economies while reinforcing our position as a responsible corporate leader.

Our Performance

In FY2024, the Group recorded a 44% increase in economic value generated compared to the previous financial year, reflecting stronger operational performance and the advancement of key projects. While certain developments are still progressing through various phases, the completion of several major projects has begun to contribute positively to our financial results. This momentum positions the Group for sustained growth, as we continue to optimise cost efficiencies and reinvest retained earnings into future-forward initiatives. Further details on the Group's financial performance can be found in the Management Discussion and Analysis section of this Annual Report.

	FY2022 RM'000	FY2023 RM'000	FY2024 RM'000
Economic Value Generated	259,667	180,304	233,252
Economic Value Distributed			
i. Operating Expenses	(178,093)	(108,671)	(101,116)
ii. Non-Operating Expenses	(19,771)	(31,911)	(53,268)
iii. Financial Costs	(24,386)	(27,633)	(32,018)
iv. Taxes to Government	(897)	(292)	(6,315)
Economic Value Retained	36,520	11,797	40,535

Note: Economic Value Generated comprises Revenue, Other Income, and the Share of Results from Joint Ventures. Operating Expenditure ("OPEX") includes Cost of Goods Sold ("COGS") and Administrative Expenses, while non-OPEX captures Net Loss on Impairment of Financial Instruments. For further details on the Group's financial performance, readers may refer to the Audited Financial Statement available in this annual report.

Indirect Economic Impact

At JAKS, we understand that our influence extends far beyond the balance sheet. Every project we undertake sets economic ripples in motion in terms of creating jobs, strengthening industries, and shaping the communities in which we operate. As a forward-thinking organisation, we do not merely participate in the economy; we actively drive progress, ensuring that our initiatives align with industry best practices and national development priorities.



Sustainability Statement (cont'd)

Indirect Economic Impact (Cont'd)

Our Approach

The Power Division serves as a key enabler of economic transformation, with our investments in renewable energy driving both sustainability and growth. The development of projects such as the LSS4 PV solar plant extends beyond environmental benefits as it generates employment, advances technological expertise, and strengthens Malaysia's clean energy sector. By aligning with global sustainability frameworks and leveraging cutting-edge innovations, we are not only contributing to energy security but also unlocking new opportunities for businesses and the workforce.

In the Construction Division, our role in infrastructure development is instrumental in shaping Malaysia's economic landscape. Infrastructure is the backbone of progress, and through strategic tender participation and direct project proposals, we secure high-impact opportunities that contribute to employment, upskill the local workforce, and enhance industry capabilities. Each project represents a step towards a more connected and resilient economy, ensuring that communities and businesses alike benefit from continuing economic expansion.

Meanwhile, the Property Investment Division plays a crucial role in urban and commercial development. Thriving cities require dynamic business hubs and high-quality residential spaces that attract businesses, foster entrepreneurship, and elevate the standard of living. Our strategic investments in commercial and residential properties stimulate economic vibrancy, drive business activity, and generate strong financial value. By optimising asset performance and responding to evolving market trends, we ensure that our properties remain key drivers of regional economic sustainability.

At every level of our operations, we prioritise synergy between our stakeholders to maximise shared value and longstanding economic resilience. As we continue to expand and diversify, our commitment remains steadfast: to be a catalyst for sustainable growth, shaping industries, empowering communities, and setting new benchmarks for economic impact.

Procurement And Supply Chain

A strong procurement and supply chain strategy is essential to business resilience, ensuring the smooth sourcing and delivery of materials and services. At JAKS, these processes are built on strategic partnerships, efficiency, and sustainability to support seamless project execution.



Our Approach

The Group defines procurement as the sourcing of equipment, raw materials, and sub-raw materials required for project and operational needs. Local procurement refers specifically to sourcing these items from Malaysian-registered companies. While there is no formalised local procurement policy, structured processes are in place to prioritise local suppliers where feasible, in line with contract requirements and commitments under the LSS4 PV, for example the Power Purchase Agreement and Green Incentive Tax Allowance.

JAKS follows a structured procurement process that includes pre-qualification, request for quotation, and tender evaluations to support local suppliers. Procurement operations are managed at the divisional level, ensuring that each business segment aligns its sourcing strategy with operational needs while maintaining consistency across the Group. The Construction Division's procurement is overseen by the Procurement and Contract Department, while the Property Investment Division's sourcing activities are managed by the Property Management Team. In the Power Division, procurement decisions are subject to Group approval. While procurement activities are managed at the divisional level to enhance efficiency and supplier engagement, ultimate decision-making authority remains with Senior Management. This structured approach ensures alignment with corporate objectives while fostering a resilient and locally integrated supply network.

Sustainability Statement

(cont'd)

Procurement And Supply Chain (Cont'd)

JAKS integrates environmental and ethical considerations into procurement, particularly within the Power Division, where new suppliers are screened based on Environmental Impact Assessment ("EIA") reports and regulatory requirements. Existing suppliers undergo environmental risk assessments, with no high-risk suppliers identified. Supplier monitoring includes physical inspections, with one environmental compliance audit conducted in the past year. The Group also engages in industry seminars and initiatives to strengthen sustainability practices within the supply chain.

Beyond environmental considerations, JAKS prioritises ethical sourcing through social risk assessments and supplier due diligence, particularly in the Power Division, where requirements are based on Social Impact Assessment ("SIA") reports and regulatory standards. The Group actively monitors supplier compliance, with two social audits completed in the past year. These efforts reinforce JAKS' commitment to responsible procurement while promoting industry best practices.

JAKS evaluates the effectiveness of its local procurement initiatives through performance assessments and supplier engagement. The Construction Division aligns its procurement with contract requirements, while the Power Division demonstrates a high level of commitment to local sourcing. Supplier selection is based on financial stability, compliance, and sustainability, ensuring adherence to JAKS' high standards.

The Group works closely with top-performing local suppliers across divisions to ensure seamless operations. In the Construction Division, key suppliers provide essential materials such as structural components, electrical supplies, and fuel to support project execution. In the Power Division, essential services which includes equipment maintenance, site management, security, and technical engineering support are sourced from specialised vendors. By engaging reliable local suppliers across these critical categories, the Group strengthens its supply chain resilience and reinforces its commitment to sustainable local procurement.

Our Performance

As there were no ongoing or active construction projects in FY2024, the Group recorded only a procurement transaction for its Power Division to support ongoing maintenance activities at the LSS4 PV farm.

	FY2022 RM'000	FY2023 RM'000	FY2024 RM'000
Total Procurement Spending (RM)	139,146	37,236	1
Total Local Procurement Spending (RM)	34,918	37,214	1
Total Foreign Procurement Spending (RM)	104,228	23	0
Percentage of Spending on Local Suppliers (%)	25.09	99.94	100.0

Note: Data for FY2022 to FY2024 pertains solely to the Construction and Power Divisions.

	FY2022	FY2023	FY2024
Total Number of Suppliers	13	11	0
Total Number of Local Suppliers	6	4	0
Total Number of Foreign Suppliers	7	7	0
Percentage of Local Suppliers (%)	46.15	36.36	0

The Construction and Power Division remain focused on optimising strategies, strengthening relationships with local suppliers, and enhancing supply chain resilience. Through continuous performance evaluation and strategic sourcing, the Group aims to drive efficiency, sustainability, and long-term economic value.

Sustainability Statement (cont'd)

Procurement And Supply Chain (Cont'd)

	FY2022	FY2023	FY2024
Percentage of New Suppliers Screened Using Environmental Criteria (%)	0%	0%	0%
Number of Suppliers Assessed for Environmental Impacts	0	0	0
Percentage of New Suppliers Screened Using Environmental Criteria (%)	0%	0%	0%
Number of Suppliers Assessed for Social Impacts	0	0	0
Percentage of company's total property portfolio certified to a recognised building management standard for property (%)	0%	0%	0%
Number of suppliers endorsed anti-bribery/ anti-corruption policies (third party declaration)	1	0	0

Note: Figures reflect only the Construction and Power divisions, as other divisions are not subject to these criteria.

Quality and Customer Satisfaction

Quality is a guiding principle that shapes our operations, decisions, and customer interactions. We recognise that delivering superior products and services is not just about compliance but about creating trust and lasting relationships. Customer satisfaction fuels our success, driving innovation, continuous improvement, and a positive economic impact. By integrating industry best practices, we ensure that every experience with JAKS reflects our commitment to excellence.



Our Approach

Our approach is driven by proactive management, cross-functional collaboration, and continuous refinement of our processes to meet evolving customer needs.

Responsibility for quality and customer satisfaction is shared across multiple teams. The Construction Division adheres to ISO 9001:2015 procedures, ensuring compliance and consistency in project execution. The Power Division manages quality through its operations and management framework, while the Property Investment Division entrusts the Property Management Team with customer experience, though it does not have a dedicated quality department or customer service unit.

Customer engagement and grievance resolution are integral to our approach. JAKS maintains open communication channels, allowing customers to provide feedback and resolve concerns efficiently. In the Construction Division, grievances are formally addressed through the Project NCR form, ensuring transparency and accountability.

To optimise performance, we integrate lean management principles and data-driven decision-making to enhance efficiency. By cultivating collaboration across departments and aligning with industry best practices, JAKS continually strengthens its commitment to quality and customer satisfaction.

JAKS will continually enhance quality and customer satisfaction through operational improvements and adherence to global standards. Our focus on continuous improvement allows us to set new benchmarks across all divisions, reinforcing our reputation for reliability and service excellence.

Sustainability Statement

(cont'd)

GOVERNANCE

Anti-Corruption

Corporate governance and business ethics form the foundation of JAKS' organisational principles. Our commitment to transparency, accountability, and responsible decision-making is embedded within our governance framework, ensuring that our operations align with industry best practices and regulatory expectations. Beyond compliance, our approach strengthens stakeholder trust and fosters long-term sustainable growth.

The Board plays a critical role in defining strategic direction, overseeing governance policies, and ensuring that governance practices drive long-term value creation. Our governance framework integrates oversight of key sustainability topics, including anti-corruption, risk management, regulatory compliance, and stakeholder engagement, ensuring a responsible and ethical approach to business operations. Furthermore, JAKS actively engages with stakeholders to ensure our governance practices remain relevant and responsive to emerging risks and opportunities.

Our Board, consisting of 7 Directors, including 4 independent directors, upholds the principles of the Main Market Listing Requirements and the Malaysian Code on Corporate Governance. By integrating these standards across our operations, JAKS strengthens its reputation as a responsible and forward-thinking industry leader. Further details on our governance performance can be found in the Corporate Governance Overview Statement of this Annual Report, highlighting our commitment to excellence in corporate governance.



Our Approach

JAKS maintains a zero-tolerance stance against bribery and corruption. Our governance framework ensures compliance with regulatory requirements and reinforces ethical decision-making across the organisation. Through due diligence processes, training programs, and clear reporting mechanisms, we empower employees and stakeholders to uphold integrity in all business dealings.

CODE OF CONDUCT

We uphold the highest standards of ethical behaviour through our Code of Ethical Conduct and Conflicts of Interest ("the Code"), which is embedded within the employee handbook. This Code serves as a guiding framework for employees, ensuring ethical decision-making in all aspects of business operations. The Board oversees matters related to the Code, which undergoes an annual review to maintain its relevance and effectiveness. By encouraging a strong culture of integrity, honesty, and accountability, we reinforce our commitment to economic sustainability and principled business conduct.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

JAKS acknowledges the importance of strong anti-corruption measures in enhancing fairness, social equity and economic stability. Our Anti-Bribery and Anti-Corruption ("ABAC") Policy outlines strict protocols for identifying, reporting, and addressing potential corruption risks. This policy includes due diligence measures, third-party risk assessments, and clear reporting guidelines to ensure compliance with anti-corruption laws, including the Malaysia Anti-Corruption Commission Act ("MACC"). Our employees receive periodic training to reinforce awareness and vigilance against unethical practices. The Board periodically reviews the ABAC Policy and thus the ABAC Policy may be revised from time to time when needed to accurately reflect any legislative changes or updates in JAKS' governance.

The ABAC Policy is publicly accessible on our corporate website at <https://www.jaks.com.my/investors.php>.

Sustainability Statement (cont'd)

WHISTLEBLOWING POLICY

JAKS provides a secure and confidential whistleblowing mechanism that enables employees and stakeholders to report suspected misconduct or unethical behaviour. Reports are directed to the Chairman of the Audit Committee through designated communication channels:

By Email
whistleblowing@jaks.com.my

Post:
To : Chairman of the Audit Committee
JAKS Resources Berhad

Address:

JAKS Resources Berhad
Unit B-09-28, Tower B, Pacific Towers
Jalan 13/6, Section 13,
46200 Petaling Jaya

The policy ensures whistleblower protection, reinforcing a culture of transparency and accountability. No whistleblowing incidents were reported in FY2024.

The Whistleblowing Policy is available on our corporate website at <https://www.jaks.com.my/investors.php>.

Our Performance

The Group conducts periodic corruption risk assessments in accordance with the ABAC Policy to identify potential vulnerabilities and implement necessary safeguards. These assessments ensure that effective controls are in place to minimise risks. As an apolitical organisation, JAKS remains dedicated to ethical business conduct and did not provide any political contributions during the year.

Corruption Risk Assessment	FY2022	FY2023	FY2024
Percentage of operations assessed for corruption-related risks	0%	100%	0%
Significant risks related to corruption identified through the risk assessment	N/A	0	N/A

Note: Corruption risk assessments at JAKS are conducted on a periodic basis. No assessments were carried out in FY2022 and FY2024.

In line with promoting an anti-corruption, continuous training and communication are carried out within JAKS and as part of our commitment to ethical business practices, the ABAC policy is introduced to all employees during onboarding and reinforced through regular training to ensure awareness and vigilance against any form of misconduct. In FY2024, we recorded a total of 440 training hours, with 100% of employees receiving training on anti-corruption, reflecting our ongoing commitment to continuous learning and ethical business practices.

Anti-Corruption Training and Communication	FY2022	FY2023	FY2024
Percentage of Board of Directors who have received training on anti-corruption	50.0%	57.1%	57.1%
Percentage of employees that have received training on anti-corruption policies and procedures			
• Management	100%	100%	100%
• Executive	100%	100%	100%
• Non-Executive	100%	100%	100%
Number of hours staff have received training on anti-corruption			
• Management	232	212	212
• Executive	172	140	148
• Non-Executive	92	84	80

Sustainability Statement

(cont'd)

WHISTLEBLOWING POLICY (Cont'd)

In FY2024, we recorded zero confirmed cases of corruption, meeting our annual target of zero confirmed corruption incidents and reinforcing our zero-tolerance stance on unethical practices.

	FY2022	FY2023	FY2024
Total number of confirmed incidents of corruption	0	0	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0
Total number of confirmed incidents when contracts with suppliers & contractors were terminated or not renewed due to violations related to corruption	0	0	0
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases	0	0	0
Cost of fines, penalties or settlements in relation to corruption (RM)	0	0	0

Regulatory Compliance



Our Approach

JAKS is committed to maintaining the highest standards of regulatory compliance across all our operations. By strictly adhering to applicable laws and industry regulations, we foster trust, uphold safety standards, and ensure fair business practices while mitigating potential risks.

We comply with all relevant local and international regulations, including those related to Health, Safety, and Environment ("HSE"), human and labour rights, waste management, and industry-specific standards. Our governance policies establish clear guidelines for legal and ethical conduct, fostering accountability throughout the organisation. These policies are accessible via our corporate website at <https://www.jaks.com.my/investors.php>.

Our Performance

To strengthen compliance awareness, we conduct training programs focusing on key regulatory areas, particularly HSE, ensuring employees understand and uphold these critical standards. By embedding compliance into our corporate culture, JAKS remains committed to maintaining ethical, transparent, and responsible business operations, aligning with our target of zero cases of environmental and social non-compliance annually.

	FY2022	FY2023	FY2024
No. of environmental non-compliance incidents in the company and/or subsidiaries that resulted in a fine or censure	0	0	0
No. of socioeconomic non-compliance incidents in the company and/or subsidiaries that resulted in a fine or censure	0	0	0
Total cost of fines for environmental non-compliance (RM)	0	0	0
Total cost of fines for socio-economic non-compliance (RM)	0	0	0

Sustainability Statement (cont'd)

Risk Management



Our Approach

A strong risk management framework is critical to business sustainability. At JAKS, we proactively assess, monitor, and mitigate risks to safeguard operations and ensure business continuity. By embedding risk-awareness into corporate culture, we enhance our ability to navigate uncertainties effectively.

Our Enterprise Risk Management ("ERM") framework, designed in line with ISO 31000, is regularly reviewed and updated to address evolving business and sustainability risks. Significant risks that include financial, operational, regulatory, environmental, and reputational are assessed and recorded in formal risk registers, which capture potential root causes, key controls, and impact ratings. Scenario planning exercises and stress testing ensure that we remain prepared for potential disruptions. Accountability for managing these risks is assigned to Heads of Department and key management staff.

Oversight is led by the Risk Management Committee ("RMC"), comprising senior management and selected department heads, who monitor policy implementation and facilitate risk reporting to the Board. This layered governance structure ensures consistent and ongoing risk management across the Group.

As part of our efforts under SS2024, we will look into strengthening the integration of risk management across departments and aim to enhance the visibility of sustainability-linked risks — particularly those with potential environmental or reputational impacts. We will continue to refine our approach by enhancing assessment processes and exploring broader strategic considerations to better support long-term value creation.

Further details can be found in the JAKS Statement on Risk Management and Internal Control ("SORMIC") on page 101 – 103.

Data Privacy and Security

As digital transformation accelerates across industries, the safeguarding of data has become paramount. JAKS recognises that data privacy is a regulatory obligation and a cornerstone of trust, integrity, and enduring success. In an age where cyber threats evolve rapidly, our firm commitment to protecting sensitive information, particularly that of our customers, underscores our role as a responsible and progressive industry leader.

Our Approach



JAKS adheres to the Privacy Policy, developed in strict accordance with the Personal Data Protection Act 2010 ("PDPA"), to fortify our data security framework. This policy governs the collection, confidentiality, and accessibility of personal data, ensuring stringent protection against unauthorised access or breaches. We believe that a proactive stance on data privacy not only safeguards our stakeholders but also enhances our operational resilience.

To support this, the Group incorporates established safeguards and ongoing system monitoring. Our teams coordinate efforts to remain aligned with recognised practices and prevailing industry standards, supporting the continued effectiveness of our data protection measures.

Sustainability Statement

(cont'd)

Data Privacy and Security (Cont'd)

Our Performance

	FY2022	FY2023	FY2024
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

Our stringent compliance measures and vigilant monitoring have yielded positive outcomes, and we are pleased to report that no complaints or incidents of data breaches were recorded in FY2024, meeting our annual target of zero incidents of data breaches. This achievement reflects the strength of our security protocols and the dedication of our teams in upholding the highest standards of data privacy and security.

ENVIRONMENT

JAKS is committed to responsible environmental stewardship by minimising our operational footprint and incorporating sustainable practices where feasible. We recognise the impact of our activities on climate change, energy and resource consumption, and we continuously strive to enhance energy efficiency, reduce waste, and comply with environmental regulations. Through proactive measures and sustainable innovations, we aim to balance business growth with environmental responsibility, ensuring a positive and lasting impact on the ecosystems and communities in which we operate.

Climate Change

Climate change has rapidly emerged as a defining issue of this decade, gaining significant traction among regulators, investors, and stakeholders worldwide. Its growing prominence is driven by intensifying climate events, mounting public awareness, and global commitments towards a low-carbon economy. Climate change presents both strategic and operational implications for businesses, ranging from physical risks, such as extreme weather events and shifting climate patterns, to transition risks linked to evolving regulations, carbon pricing, and escalating raw material costs.

Operating in the Property Investment, Power & Energy, and Construction sectors, JAKS recognises its contribution to greenhouse gas ("GHG") emissions, energy consumption, and resource utilisation. JAKS acknowledges the importance of global and national decarbonisation efforts, particularly the Paris Agreement and the Net Zero 2050 ambition. We actively support the Nationally Determined Contributions ("NDCs") of the countries in which we operate, aligning our strategies to meet these climate objectives. Through sustainable practices, climate-resilient measures, and adherence to evolving regulatory requirements, JAKS strives to mitigate climate risks, seize emerging opportunities, and contribute to a more sustainable, low-carbon future.



Our Approach

JAKS is embedding climate-conscious practices across its operations, with a prime focus on emissions reduction, energy efficiency, and sustainable resource management. A prime example of our commitment to climate action is the installation of solar photovoltaic panels at our 50MW solar plant in Nibong Tebal, intended for internal consumption. While the system is not yet operational, we anticipate that this initiative will contribute to a more sustainable energy mix, potentially yielding emission avoidance of approximately 24.53 tCO₂e. Building on this momentum, the Group continues to explore opportunities in expanding our renewable energy initiatives across our divisions.

Sustainability Statement

(cont'd)

Climate Change (Cont'd)

Our commitment to environmental responsibility is further reinforced through our Environmental Policy Statement, formalised in January 2025. The Policy underscores our dedication to minimising pollution at project sites and continuously improving environmental performance. All project sites are in compliance with the regulations set forth by the Department of Environment ("DoE"), ensuring that our projects are conducted in an environmentally responsible manner.

In response to the escalating risks associated with climate change and in preparation for transitioning to comprehensive climate-related disclosures aligned with IFRS S2, JAKS has recently conducted a thorough climate risk assessment in collaboration with key operational personnel and external consultants. This assessment has allowed us to systematically identify, evaluate, and manage climate-related risks across short-, medium-, and long-term timeframes, thus informing our strategic decision-making and enhancing business resilience.

Our Performance

JAKS adopts the operational control approach in calculating its GHG emissions, accounting for emissions from sources that are owned or fully controlled by the Group. Our emissions reporting adheres to the GHG Protocol, ensuring accuracy, consistency, and transparency. Enhancements in our emissions reporting methodology led to the restatement of past year data where applicable, providing a more robust and reliable emissions profile.

Scope 1 emissions refer to direct emissions from fuel consumption, including diesel and petrol used to power gensets as an alternative energy source and for company-owned vehicles. Scope 2 accounts for indirect emissions from the generation of purchased electricity consumed across JAKS' operations, including its offices and investment properties. While these emissions originate outside our direct operations, they are a direct consequence of our energy consumption.

As JAKS works towards formalising its emissions reduction targets over the short, medium, and long term, we aim to establish our emission baseline by FY2025 to ensure it reflects a more comprehensive and representative emissions profile, particularly one that encompasses the energy demands of all divisions, including any active construction activities.

	FY2022	FY2023	FY2024
Power Division	-	4.79	11.54
Construction Division	-	-	-
Property Investment Division	3.14	3.63	3.63
Total Scope 1 (tCO₂e)	3.14	8.42	15.17

Note: The conversion factor used to convert litres consumption to energy value is based on Malaysia Energy Statistic Handbook 2020. Meanwhile, emission factors and Global Warming Potential ("GWP") values are retrieved from the Intergovernmental Panel on Climate Change ("IPCC") database.

	FY2022	FY2023	FY2024
HQ	-	-	57.81
Power Division	-	14.09	56.80
Construction Division	-	-	-
Property Investment Division	2,673.88	4,401.44	2,860.33*
Total Scope 2 (tCO₂e)	2,673.88	4,415.53	2,974.94

Note:

1. The emission factor used for grid electricity is based on the United Nations Framework Convention on Climate Change ("UNFCCC") Harmonised Grid Factors 2021.
2. *This figure may not reflect actual emissions from electricity consumption, following the decoupling of TNB meters for some tenants.

Sustainability Statement

(cont'd)

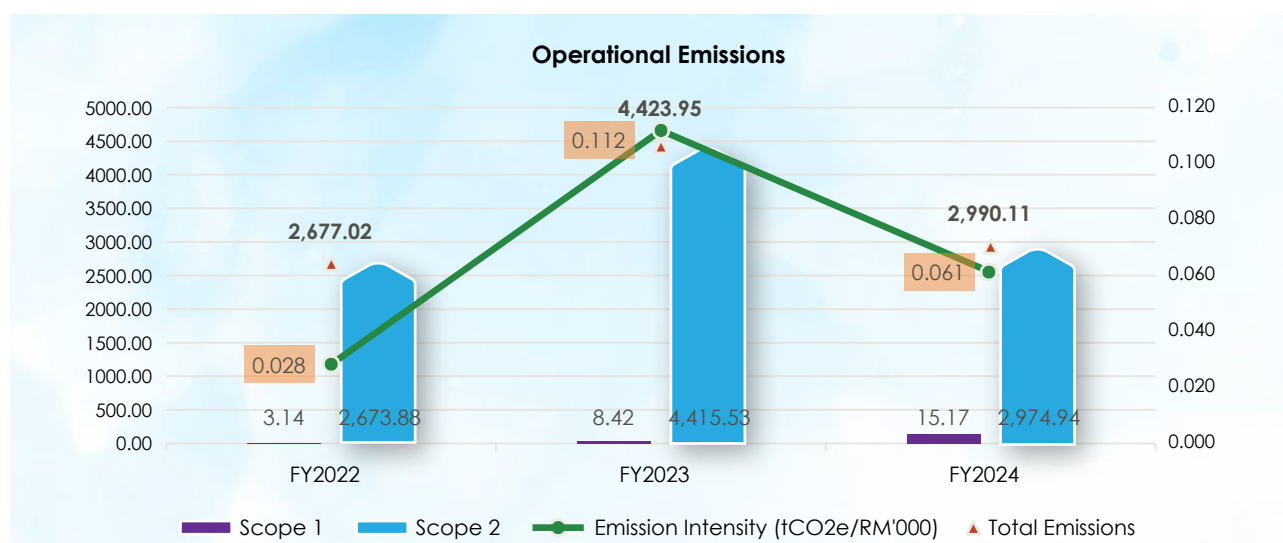
Climate Change (Cont'd)

With the completion of all projects since FY2022 and no active projects under the Construction Division during this period, there were no ongoing activities requiring fuel or electricity consumption, resulting in nil Scope 1 and 2 emissions for the division. Additionally, in FY2024, JAKS commenced separate tracking and reporting of electricity consumption data for its headquarters following the decoupling of Tenaga Nasional Berhad ("TNB") meters, which were previously amalgamated under the Property Investment Division.

Despite the notable increase in Scope 1 emissions in FY2024, primarily driven by the inclusion of petrol data in our emission profile, Scope 2 emissions saw a notable 32.62% reduction to 2,974.94 tCO₂e. The decline was largely driven by changes in electricity billing structures within the Property Investment Division, where tenant electricity accounts were decoupled from centralised metering and transitioned to individual billing structures.

The structural adjustments collectively contributed to an overall 32.41% decrease in total operational emissions (Scope 1 and 2), bringing total emissions to 2,990.11 tCO₂e. It was also benchmarked against revenue to assess its operational efficiency, with emission intensity falling to 0.058 tCO₂e per RM'000 revenue, signifying a 48.46% reduction from the previous year. This reduction primarily reflects the revised metering arrangement in our investment properties, which led to more accurate attribution of emissions to tenants and a leaner operational footprint on JAKS' part. Nevertheless, given that Scope 2 emissions remain the dominant contributor to our overall emissions profile, JAKS remains cognisant in implementing concerted efforts to optimise electricity consumption and expand renewable energy initiatives across its divisions.

Our Performance

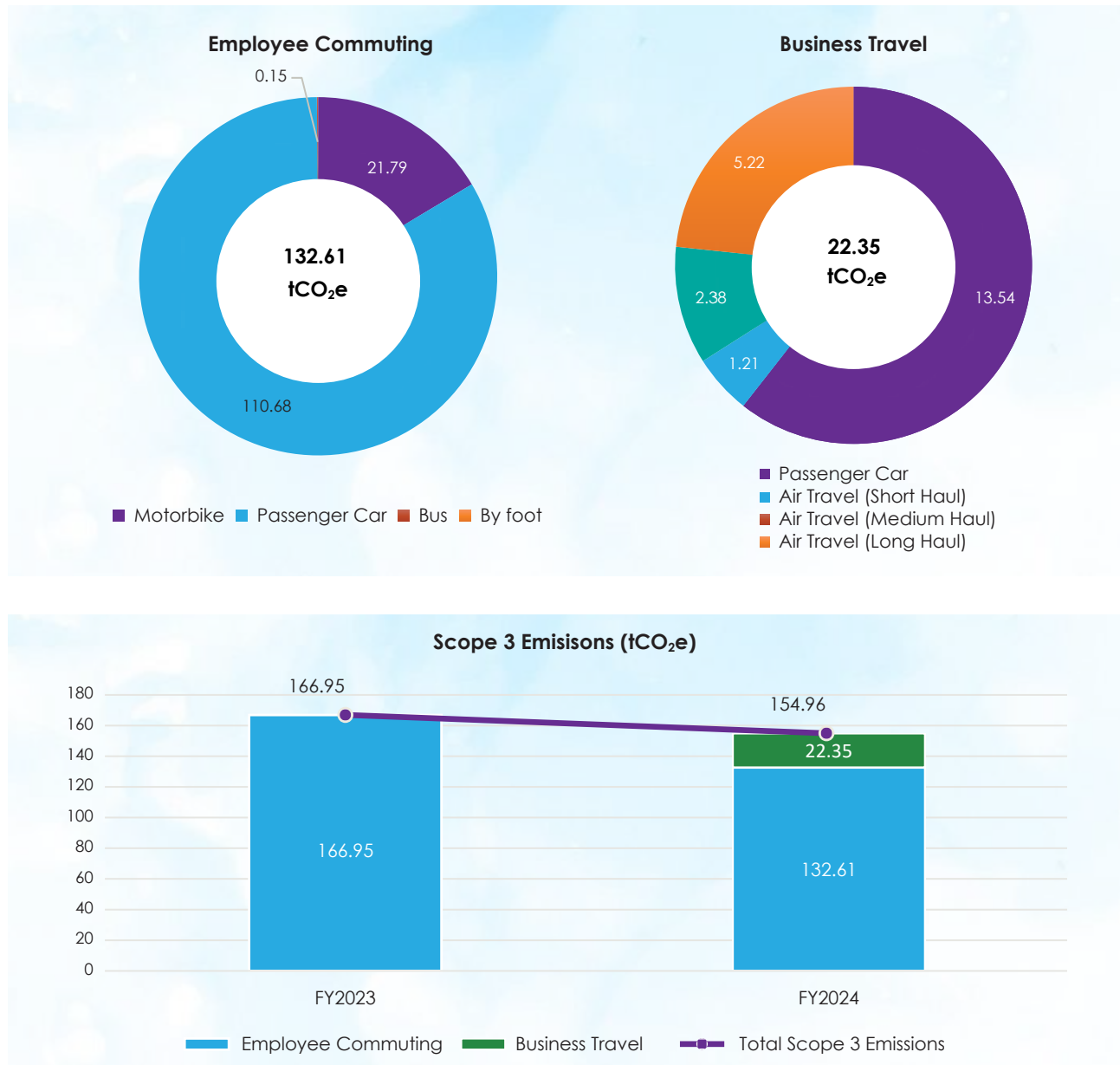


JAKS also recognises the potential impacts arising from other indirect emissions across the value chain. In FY2024, JAKS expanded its Scope 3 to account for emissions from both employee commuting and business travel, calculated using the distance-based method. Despite the inclusion of the category on business travel, the Group's Scope 3 emissions recorded a 7.18% decrease, amounting to 154.96 tCO₂e, with employee commuting representing 85.57% of the total. This expanded disclosure offers a more holistic view of our value chain emissions, enhancing our ability to identify targeted reduction opportunities and strengthen our carbon management efforts.

Sustainability Statement (cont'd)

Climate Change (Cont'd)

Our Performance



Note: The emission factors used are based on the United States Environmental Protection Agency ("EPA") GHG Emission Factors Hub, while Global Warming Potential ("GWP") values are retrieved from the Intergovernmental Panel on Climate Change ("IPCC") database. With the change in emission factors, employee commuting data for FY2023 has been restated accordingly.

Sustainability Statement

(cont'd)

Climate Change (Cont'd)

Climate-Related Strategic Disclosures

<div>GOVERNANCE</div> <div>Recommended Disclosure a) Describe the board's oversight of climate-related risks and opportunities.</div> <div>Recommended Disclosure b) Describe management's role in assessing and managing climate-related risks and opportunities.</div>	<p>JAKS has established a robust governance framework to oversee sustainability matters, including climate-related risks and opportunities.</p> <p>The Board of Directors ("Board") holds ultimate responsibility for setting the Group's strategic direction, ensuring long-term value creation, and promoting sustainable performance across the organisation. This involves integrating sustainability considerations, including climate change, into corporate strategy, risk management processes, and operational decision-making. The Board ensures that climate-related risks and opportunities are systematically addressed, ensuring their inclusion in strategic discussions, investment decisions, and reviews of major business initiatives.</p> <p>The Board receives periodic updates on sustainability matters, including climate-related issues, and is responsible for monitoring the effectiveness of sustainability governance. Furthermore, the Board ensures that key sustainability initiatives, including climate-related strategies, are effectively integrated into its overarching business plan.</p> <p>Supporting the Board is the Sustainability Committee ("SC"), which consists of an Independent Non-Executive Director, an Executive Director and Chief Executive Officer, plays a role in driving the strategic management of the Group's material sustainability matters, including climate change. The SC leads and ensures the effective implementation of sustainability strategies and initiatives across the Group. This includes evaluating sustainability-related risks and opportunities, monitoring regulatory developments, and recommending revisions to the Group's sustainability strategy.</p> <p>At an operational level, the implementation and management of sustainability strategies has been delegated to the Management Team, which plays a key role in embedding sustainability practices across the organisation. Led by the Chief Executive Officer, the Management Team designs, executes, and implements day-to-day sustainability programmes and initiatives, tracks, monitors, and reports on key sustainability indicators for ongoing performance evaluation, and reports initiatives, plans, and progress on sustainability matters to the SC.</p>
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Sustainability Statement

(cont'd)

Climate Change (Cont'd)

Climate-Related Strategic Disclosures (Cont'd)

<p>STRATEGY</p> <p>STRATEGY Recommended Disclosure a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</p> <p>Recommended Disclosure b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p> <p>Recommended Disclosure c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>JAKS recognises sustainability, including climate change, as a relevant risk and opportunity to our business. We have identified relevant climate risks, categorised into physical and transition risks by short, medium, and long-term time horizons, considering the useful life of our assets and infrastructure, as well as the manifestation periods of climate-related issues.</p> <p>The identified climate-related risks could potentially affect various aspects of business operations including existing operations, physical assets, access to financing and markets as well as the availability and costs of necessary inputs for the business model.</p> <p>Through the Climate Risk Assessment ("CRA") workshop, we have identified the potential impacts of physical and transition risks on our operations. These identified risks have been taken into consideration in our climate risk assessment planning and in the planning of mitigation measures. Significant impacts arising from climate-related risks collectively influence our business operations, strategic planning, and financial stability.</p> <table border="1"> <thead> <tr> <th colspan="2">Risks</th></tr> </thead> <tbody> <tr> <td data-bbox="432 913 927 1256"> <p>Extreme Rainfall Pattern</p> <p>S M L</p> <p>Intensifying rainfall and flash floods may result in prolonged construction delays, disrupting project timelines and revenue flows. In property investment, assets located in flood-prone or high-risk areas face reduced property values, affecting investment returns and the collateral value of financing arrangements.</p> </td><td data-bbox="927 913 1431 1256"> <p>Rising Temperature</p> <p>M L</p> <p>Elevated temperatures can reduce labour productivity and pose health risks to on-site workers, especially in construction and power operations. This also increases reliance on cooling systems, thereby inflating operational costs and affecting overall efficiency.</p> </td></tr> <tr> <td data-bbox="432 1256 927 1626"> <p>Droughts/Water Scarcity</p> <p>M L</p> <p>Water supply disruptions may affect the livability and attractiveness of properties, leading to potential customer dissatisfaction and slower take-up rates in the Group's property investment portfolio.</p> </td><td data-bbox="927 1256 1431 1626"> <p>Environmental and Energy Policy Shifts</p> <p>S M L</p> <p>Escalated demands for the use of green-certified materials or green-certified suppliers may result in higher procurement costs, with potential disruptions in existing supply chain relations – driving up production costs. Policy shifts, such as carbon taxes and increased energy tariffs entail operational complexities and increase expenditures.</p> </td></tr> <tr> <td data-bbox="432 1626 927 2002"> <p>Compliance and Legal Risks</p> <p>S M L</p> <p>Non-compliance risks may see gaining traction as more transitional shifts in response to climate change are introduced. For instance, increased environmental disclosure requirements demands additional administrative resources, translating into increased operational expenses.</p> </td><td data-bbox="927 1626 1431 2002"> <p>Market and Reputation</p> <p>S M L</p> <p>Evolving investor expectations and market trends toward sustainability may influence capital access and project viability. Clients are increasingly prioritising green infrastructure solutions, such as data centres with district cooling and thermal energy storage systems, potentially shifting demand away from conventional offerings.</p> </td></tr> </tbody> </table>	Risks		<p>Extreme Rainfall Pattern</p> <p>S M L</p> <p>Intensifying rainfall and flash floods may result in prolonged construction delays, disrupting project timelines and revenue flows. In property investment, assets located in flood-prone or high-risk areas face reduced property values, affecting investment returns and the collateral value of financing arrangements.</p>	<p>Rising Temperature</p> <p>M L</p> <p>Elevated temperatures can reduce labour productivity and pose health risks to on-site workers, especially in construction and power operations. 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Risks									
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Sustainability Statement

(cont'd)

Climate Change (Cont'd)

Climate-Related Strategic Disclosures (Cont'd)

	Risks	
	<div>Transition to Low-Carbon</div> <div><div>M</div><div>L</div></div> <div>Investments in decarbonisation initiatives could limit the Group's capacity to pursue other strategic priorities, such as expanding production capabilities, driving innovation, or pursuing acquisitions. This trade-off necessitates a careful evaluation of long-term environmental gains against immediate financial returns.</div>	
	Opportunities	
	<div>Renewable Energy Adoption</div> <div><div>M</div><div>L</div></div> <div>Investments in renewable energy infrastructure, such as the integration of solar photovoltaic ("PV") systems within the Group's property and power assets, present long-term opportunities for operational cost savings, emissions reduction, and alignment with national decarbonisation targets. While upfront capital requirements may be significant, the long-term benefits—through reduced energy expenditure and improved energy independence—are expected to yield positive returns. These initiatives also enhance JAKS' reputation as a forward-thinking and environmentally responsible player in both the construction and energy sectors.</div>	<div>Carbon Credits Purchase</div> <div><div>L</div></div> <div>The adoption of low-carbon technologies, complemented by the strategic purchase or generation of carbon credits, positions JAKS to mitigate the potential financial impact of future regulatory instruments such as carbon taxes or mandatory emissions caps. While there may be initial cost implications, such approaches offer long-term operational resilience and cost predictability, especially for the power and construction divisions.</div>

Sustainability Statement (cont'd)

Climate Change (Cont'd)

Climate-Related Strategic Disclosures (Cont'd)

Opportunities	Legend:
<p>Diversification of Business Activities/ Access to New Markets</p> <div data-bbox="443 539 558 593"> <div>M</div> <div>L</div> </div> <p>As climate concerns continue to shape industry trends and investor expectations, JAKS recognises the opportunity to diversify its business activities by venturing into low-carbon and environmentally resilient sectors. This includes the development of green-certified buildings, the incorporation of energy-efficient design in construction projects, and potential expansion into renewable energy and water-efficient infrastructure. These efforts not only respond to rising demand for sustainable solutions across the property and construction markets but also position the Group to capture emerging opportunities aligned with national and regional climate agendas. By adapting its offerings to meet evolving consumer preferences and regulatory requirements, JAKS can strengthen its market reach, improve asset value, and secure long-term competitiveness in new and transitioning markets.</p>	<div data-bbox="943 539 1015 602">S</div> refers to short-term (0-2 years). <div data-bbox="943 636 1015 698">M</div> refers to medium-term (2-10 years). <div data-bbox="943 732 1015 795">L</div> refers to long-term (>10 years).
<p>Climate change presents growing operational and strategic challenges for JAKS, as intensifying weather events and shifting climate conditions contribute to increased uncertainty across the Group's core divisions—construction, property investment, and power generation. For instance, extreme rainfall and flooding may disrupt site activities, affect logistics and labour mobility, and pose operational downtime risks, particularly in areas where the Group's construction and infrastructure assets are located.</p>	
<p>Concurrently, the transition towards a low-carbon economy is driving up energy and material costs, compelling the Group to rethink its resource and energy strategies. In response, JAKS acknowledges the importance of adopting sustainable practices across its operations, including the integration of alternative energy solutions to reduce greenhouse gas emissions and the exploration of climate-resilient design and infrastructure.</p>	
<p>Financially, climate-related considerations are becoming integral to strategic planning, as the Group accounts for future capital outlays linked to regulatory compliance, technology upgrades, and operational resilience. Scenario analysis has been undertaken to anticipate potential financial impacts stemming from physical disruptions or policy shifts, ensuring the Group remains adaptive and financially prepared for a climate-constrained future. As the global economy advances towards decarbonisation, JAKS is positioning itself to not only mitigate risks, but also to seize new growth opportunities aligned with sustainability imperatives.</p>	

Sustainability Statement
(cont'd)

Climate Change (Cont'd)

Climate-Related Strategic Disclosures (Cont'd)

	Two major climate scenarios were used in the adaptation of the assessment, which are the Network for Greening the Financial System ("NGFS") Net Zero 2050 and Shared Socioeconomic Pathways ("SSP") 2-4.5 which served as the basis for long-term climate risk planning.					
	<table><tr><th>NGFS Net Zero 2050</th><th>SSP2-4.5</th></tr><tr><td>This scenario seeks to restrict global temperature rise to 1.5°C by reaching net-zero CO₂ emissions by approximately 2050, facilitated by stringent climate regulations and technological innovations. This scenario assumes high transition risks.</td><td>This projection anticipates that moderate but ongoing greenhouse gas emissions will contribute to gradual warming, leading to progressively severe climate effects expected by the years 2035 and 2050. This scenario assumes significant physical risks.</td></tr></table>	NGFS Net Zero 2050	SSP2-4.5	This scenario seeks to restrict global temperature rise to 1.5°C by reaching net-zero CO ₂ emissions by approximately 2050, facilitated by stringent climate regulations and technological innovations. This scenario assumes high transition risks.	This projection anticipates that moderate but ongoing greenhouse gas emissions will contribute to gradual warming, leading to progressively severe climate effects expected by the years 2035 and 2050. This scenario assumes significant physical risks.	
	NGFS Net Zero 2050	SSP2-4.5				
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The use of these scenarios provides a concrete reference to anticipated future events, allowing JAKS to pre-emptively evaluate the climate-related risks and opportunities for strategic adjustments and their potential impacts on our operations.						
<p>RISK MANAGEMENT</p> <p>Recommended Disclosure a) Describe the organisation's processes for identifying and assessing climate-related risks.</p> <p>Recommended Disclosure b) Describe the organisation's processes for managing climate-related risks.</p> <p>Recommended Disclosure c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<p>In FY2024, JAKS conducted a climate change workshop facilitated by an external ESG consultant to support Management and heads of departments in identifying and assessing climate-related risks and opportunities. This cross-functional initiative enabled the Group to examine both physical and transition risks, assess their likely timeframes of impact, and formulate initial adaptation and mitigation measures. Opportunities stemming from climate change were also explored. These assessments were informed by scenario analysis, including the NGFS Net Zero and SSP2-4.5 pathways, to evaluate how future climate-related developments may affect the Group's operations and business continuity.</p> <p>Our Enterprise Risk Management ("ERM") framework is regularly reviewed and updated to address evolving business and sustainability risks. The Risk Management Committee ("RMC") oversees the adequacy and effectiveness of the Group's risk management and internal control systems, ensuring they are robust and align with both the Group's strategic objectives and regulatory requirements. The committee reviews the Group's overall risk profile, including the risk register, and monitors how risks are mitigated through proactive management actions.</p> <p>At present, the Group is in the process of reviewing the climate-related risks, which are identified and evaluated based on their severity, likelihood, and potential impact on business objectives, with a view towards formal integration into the Group's risk register, safeguarding business continuity and long-term value creation, in harmony with our broader risk management strategy.</p>					

Sustainability Statement (cont'd)

Climate Change (Cont'd)

Climate-Related Strategic Disclosures (Cont'd)

<p>METRICS AND TARGETS</p> <p>Recommended Disclosure a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>Recommended Disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p> <p>Recommended Disclosure c) Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets.</p>	<p>In FY2024, JAKS strengthened its emissions management by initiating a comprehensive greenhouse gas ("GHG") inventory covering Scope 1, Scope 2, and Scope 3 emissions.</p> <p>Scope 1 emissions comprise direct emissions from sources that are owned or controlled by JAKS, primarily stemming from the fuel consumption used for operational processes. Scope 2 accounts for indirect emissions associated with the generation of purchased electricity. Scope 3 emissions cover employee commuting and business travel categories, enabling us to quantify and manage indirect emissions across the value chain.</p> <p>To quantitatively evaluate emissions and energy in relation to business activities, JAKS has incorporated revenue as a measurement parameter to capture the interplay between business expansion and energy efficiency, providing insights into the Group's environmental impact relative to its economic growth.</p> <p><i>For a more in-depth understanding of our energy and emissions management practices, please refer to the Climate Change and Energy Efficiency sections (pages 42 – 53) of this report.</i></p> <p>The emission factor and Global Warming Potential ("GWP") values for Scope 1 emission calculations are retrieved from the Intergovernmental Panel on Climate Change ("IPCC") database. The emission factor used for grid electricity is based on the United Nations Framework Convention on Climate Change ("UNFCCC") Harmonised Grid Factors 2021. Past year data have been restated due to the enhancement in data collection and emission calculation processes.</p> <p>In FY2024, our CO₂e emissions across Scope 1, 2 and 3 are as below:</p> <ul style="list-style-type: none"> • Scope 1 = 15.17 tCO₂e • Scope 2 = 2,917.13 tCO₂e • Scope 3 = 154.96 tCO₂e • Total Emissions = 3,145.06 tCO₂e <p><i>More information is provided in Climate Change (page 42 – 51).</i></p> <p>However, emission reduction targets have yet to be established, as JAKS is working towards establishing its baseline by FY2025. This will ensure that the emission profile is comprehensive and accurately reflects the emission patterns across all divisions, providing a solid foundation for future reduction targets.</p>
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Energy Efficiency

Efficient energy consumption is integral to JAKS commitment to environmental stewardship, balancing operational cost savings with efforts to mitigate climate impact. By prioritising energy efficiency, we continue to take proactive steps to optimise resource use and reduce emissions.



Sustainability Statement

(cont'd)

Energy Efficiency (Cont'd)

Our Approach

Building on our previous energy-saving initiatives, we have continued to integrate responsible energy consumption practices across our operations and facilities. This includes maintaining energy conservation practices, such as switching off air conditioning and lights during non-peak hours and fostering awareness among employees, subcontractors, tenants, and patrons.

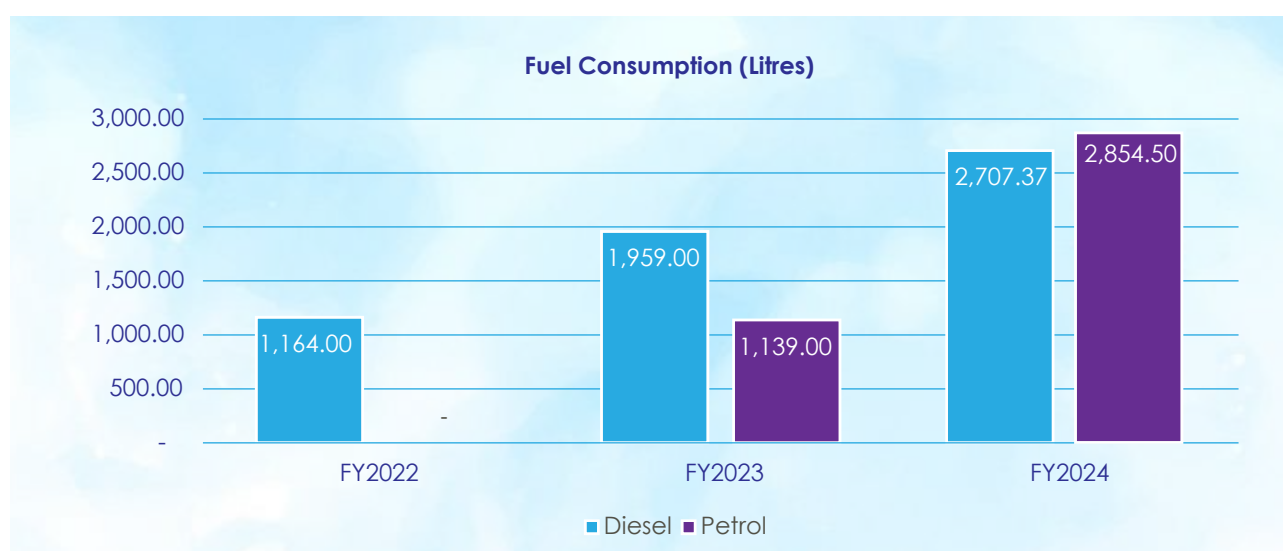
In FY2024, we reinforced our commitment to energy efficiency by expanding the adoption of LED lighting at our facilities and optimising energy use in key assets. The implementation of PV perimeter lighting around the LSS4 PV plant remains a crucial initiative, enhancing energy efficiency while supporting the renewable energy transition. Moving forward, we will explore further opportunities to improve energy management and reduce electricity dependency through technological enhancements and operational efficiencies.

Our Performance

In FY2024, JAKS recorded a total energy consumption of 19,663.14 GJ, encompassing both fuel and electricity usage. With the inclusion of petrol data leading to an overall increase in fuel consumption, its diesel consumption also observed an increase of 38.20%, attributed to the heightened business activities with the increased use of vehicles on-site at the LSS4 PV Plant as it recorded its' first full operational year in FY2024.

Notably, the 32.22% decrease in total energy consumption compared to the previous year, is largely due to a 32.63% reduction in electricity consumption, particularly within the Property Investment Division following tenants' restructuring of electricity accounts. This reduction has also contributed to a marked improvement in energy efficiency, measured against revenue, which has decreased from 0.73 to 0.39 year-on-year.

Electricity purchased from the grid remained the dominant energy source, accounting for 99.0% of the total energy utilised across all business operations. Looking ahead, the completion of our solar photovoltaic installation in Nibong Tebal is expected to generate 44.6 MWh annually, diversifying our energy mix by incorporating renewable energy into our overall energy demand.



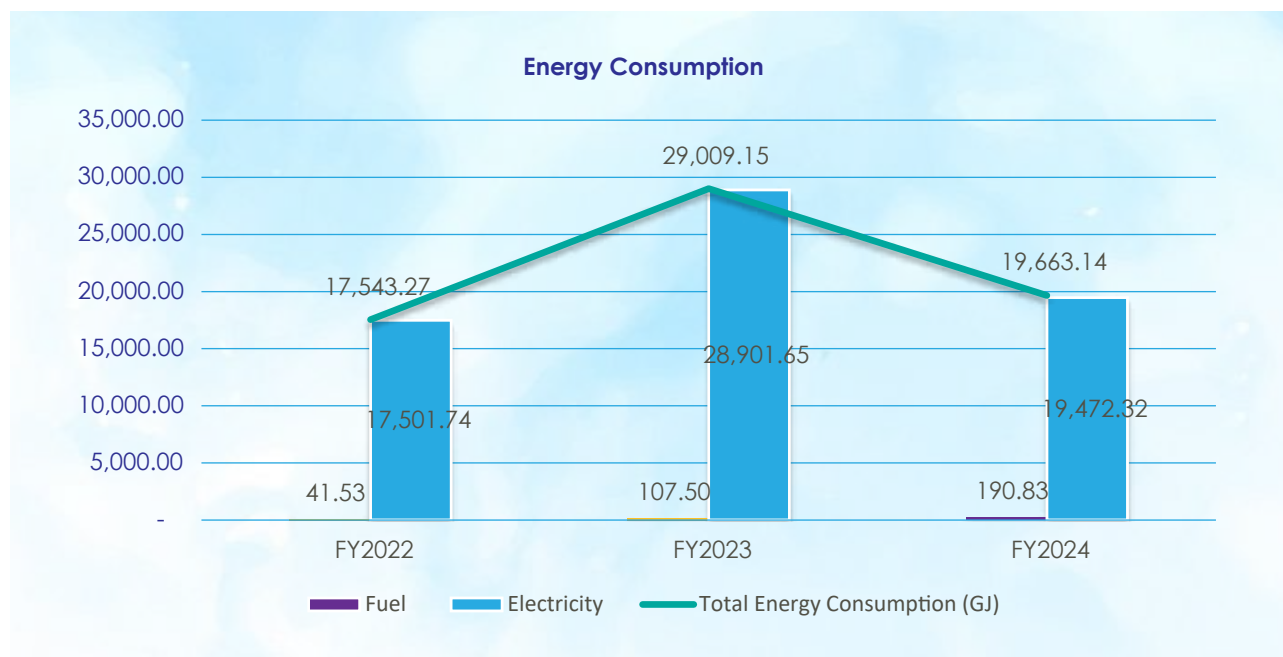
Electricity Consumption (kWh)	FY2022	FY2023	FY2024
HQ*	-	-	105,109
Power Division	-	25,613	103,273
Construction Division**	-	-	-
Property Investment Division	4,861,595	8,002,624	5,200,594*
Total Electricity Consumption	4,861,595	8,028,237	5,408,976

Sustainability Statement (cont'd)

Energy Efficiency (Cont'd)

Note:

1. In previous years, electricity consumption data for the HQ was recorded under the Property Investment Division. Following the decoupling of this data in FY2024, JAKS now reports separate electricity consumption data by companies, ensuring greater accuracy and transparency.
2. *The electricity consumption data within the Property Investment division may not be an accurate representation of actual consumption following the decoupling of TNB meters for some tenants.
3. **Electricity consumption from the Construction Division's offices is reported under the Group's headquarters, as the division does not have any active projects.



Energy Consumption by Division	FY2022	FY2023	FY2024
HQ	-	-	378.39
Power Division	-	151.75	514.66
Construction Division	-	-	-
Property Investment Division	17,543.27	28,857.40	18,770.09

Energy Consumption by Division	FY2022	FY2023	FY2024
Energy Intensity (GJ / RM'000)	0.19	0.73	0.39

Water Management

Water is a finite and shared resource, essential for both communities and businesses. Recognising its critical importance, JAKS remains committed to minimising its water footprint through responsible consumption and conservation efforts. Our approach aligns with our broader environmental stewardship goals and long-term resource sustainability.



Sustainability Statement

(cont'd)

Water Management (Cont'd)

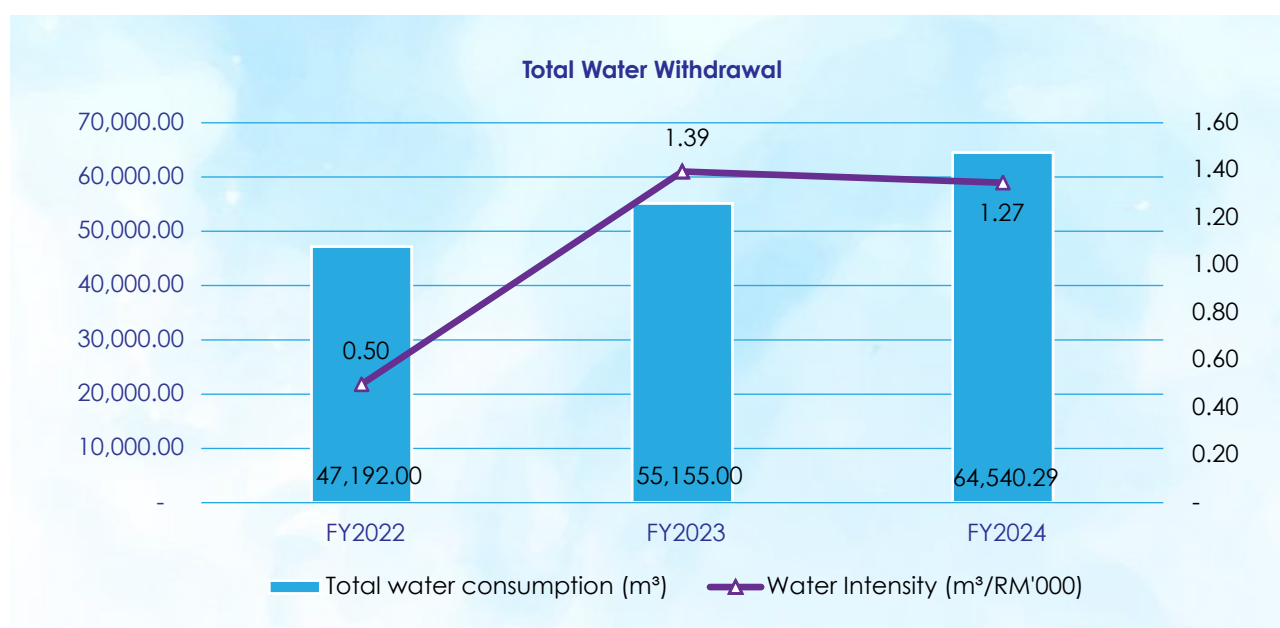
Our Approach

In FY2024, JAKS continued to implement water-saving strategies across its operations, focusing on monitoring and reducing water consumption. As we actively advocate responsible water use practices among employees and stakeholders, the Group also constantly explores new opportunities to enhance water efficiency. For instance, the installations of water-savings fixtures, including dual-flush toilets, sensor-operated taps, and self-closing taps, at all toilets in Pacific Towers Business Hub, are designed to reduce water consumption without comprising performance.

Our Performance

While none of our operations are located in water-stressed region according to the World Resources Institute's ("WRI") Aqueduct tool, JAKS remains focused on responsible water stewardship, recognising its role in ensuring resource resilience and operational efficiency.

In FY2024, JAKS recorded a total water withdrawal of 64,540.29 m³, reflecting a 17.0% increase compared to FY2023. This increase is primarily attributed to heightened tenant activity and operational requirements within our Property Investment Division. Additionally, a marginal increase also stems from the commencement of tracking water consumption at our headquarters, which has now been incorporated into our three-year total water withdrawal data to provide a more comprehensive overview. Despite the overall increase, our continued efforts to incorporate sustainable practices have helped moderate overall consumption, evident in the overall improvement of water intensity.



Water Withdrawal	FY2022	FY2023	FY2024
HQ	970.00	455.00	467.00
Power Division	-	2,385.00	1,936.00
Construction Division	-	-	-
Property Investment Division	46,222.00	52,315.00	62,137.29

Our property investment portfolio, comprising Evolve Concept Mall and Pacific Towers Business Hub, remains the primary contributor to our water consumption footprint, accounting for 96.28% of total withdrawal in FY2024.

Sustainability Statement (cont'd)

Water Management (Cont'd)

Water Withdrawal by Property (m ³)	FY2022	FY2023
Evolve Concept Mall	45,957.00	49,345.00
Pacific Towers Business Hub	6,368.00	12,792.29

Looking ahead, JAKS remains dedicated to refining our monitoring processes and enhancing water efficiency measures across our operations. With FY2024 data established as the baseline for future water consumption reduction targets, the Group will continue exploring additional conservation initiatives, including rainwater harvesting capabilities within our premises.

Waste Management

Responsible waste management is crucial in reducing environmental impact and fostering long-term sustainability. At JAKS, we remain committed to minimising waste generation through reduction, reuse, and recycling initiatives, reinforcing our role in supporting a circular economy and responsible resource consumption.



Our Approach

JAKS recognises that responsible waste management begins with efficient resource consumption. By minimising material wastage at the source, we can reduce overall waste generation while promoting circular economic principles across our business divisions. Our approach is guided by the 5Rs—Refuse, Reduce, Reuse, Repurpose, and Recycle, ensuring that materials are utilised efficiently and waste is managed responsibly throughout our operations.

We continuously seek to minimise waste generation through efficient material use, responsible procurement, and process optimisation. The integration of circular economy includes identifying opportunities for waste diversion, promoting reuse and recycling initiatives, and engaging with certified third-party contractors to ensure proper waste handling and disposal in compliance with environmental regulations.



Recognising the significance of continuous improvement, we are committed to enhancing waste tracking mechanisms, exploring alternative waste management solutions, and fostering a culture of sustainability among employees, tenants, and subcontractors. By taking a holistic approach to waste reduction, we aim to minimise our environmental footprint and contribute to more sustainable business practices.

Our Performance

In FY2024, JAKS closely monitored and managed its waste generation across all operational segments. The majority of waste produced across our operations consists of unscheduled waste, including paper, glass, and plastic, primarily derived from office activities.

The total waste generated by the Group's managed properties in FY2024 amounted to 387.20 tonnes, reflecting a 42.03% increase compared to FY2023. This variation is attributed to fluctuations in business activities within our owned and managed properties, which directly influence waste output. While our Construction Division remains dormant, resulting in no available tracking data on key construction materials such as steel and concrete, we continue to acknowledge the importance of responsible material consumption in reducing overall waste generation.

Sustainability Statement

(cont'd)

WASTE MANAGEMENT (CONT'D)

	FY2022	FY2023	FY2024
Power Division	-	12.15	0.20
Construction Division	-	-	-
Property Investment Division	-	212.30	387.00
Total	-	224.45	387.20

	FY2022	FY2023	FY2024
Waste diverted from disposal (tonnes)	-	-	0.05
Waste directed to disposal (tonnes)	-	224.45	387.15

JAKS remains steadfast in its commitment to waste reduction and will continue to enhance data tracking methodologies to improve visibility on waste management across divisions. By reinforcing waste minimisation strategies, promoting circular economy principles, and optimising disposal practices, we strive to reduce pollution, waste, and our overall carbon footprint, ensuring a more sustainable future for our operations and stakeholders.

ENVIRONMENTAL COMPLIANCE

Environmental compliance is more than a regulatory requirement—it is a fundamental commitment to safeguarding biodiversity, minimising ecological impact, and promoting long-term sustainability. Our approach to compliance reflects our dedication to responsible corporate citizenship and reinforces our role in upholding the highest environmental standards.



Our Approach

We are committed to staying ahead of the environmental regulations across our Power, Construction, and Property Investment Divisions. We strictly adhere to the Environmental Quality Act 1974 and all relevant laws to ensure our operations align with regulatory expectations and best practices.

Our approach includes regular Environmental Impact Assessments ("EIAs") and compliance audits, conducted on a project basis to evaluate our environmental footprint against local and international standards. For site projects, we ensure full compliance with all regulatory requirements, and where necessary, engage qualified consultants to compile reports for submission to the Department of Environment ("DoE") and our clients. These reports facilitate the identification and management of environmental risks related to project design, siting, and construction.

To uphold continuous compliance, we regularly review and refine our policies and procedures, working closely with regulatory authorities to address any project-related concerns. If potential environmental risks are identified, we take immediate and effective mitigation measures to uphold sustainability in our operations.

We also emphasise training and capacity-building programs to instill a culture of environmental responsibility among our employees. This ensures that our teams remain proactive, informed, and compliant with all environmental laws. Furthermore, our collaborative engagements with regulatory bodies and industry stakeholders allow us to contribute to broader sustainability efforts while addressing emerging environmental challenges.

Sustainability Statement (cont'd)

ENVIRONMENTAL COMPLIANCE (CONT'D)

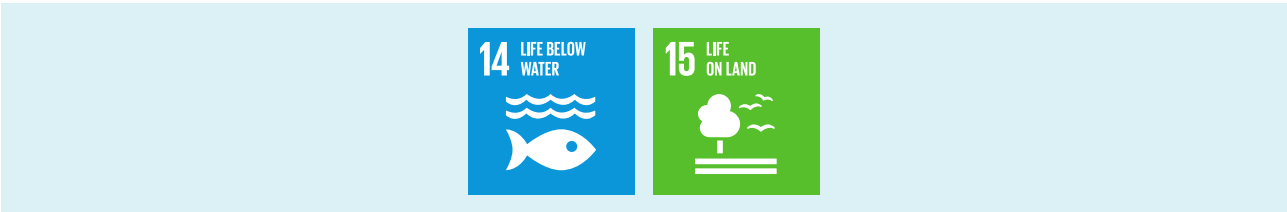
By prioritising pollution control, responsible resource management, and strict regulatory adherence, JAKS remains steadfast in its commitment to minimising environmental risks and fostering long-term sustainability.

Our Performance

In FY2024, JAKS maintained a clean record of environmental compliance, with zero cases of non-compliance, fines, or penalties. Our continued adherence to stringent environmental standards underscores our commitment to sustainable and responsible operations. This is evident in the accreditation of ISO14001 Environmental Management System ("EMS") for all previous sites within the Construction Division, where going forward, the Group aims to continue upholding responsible environmental management practices for all future projects, reinforcing our dedication to environmental stewardship.

	FY2022	FY2023	FY2024
Costs of environmental fines and penalties (RM)	0	0	0

BIODIVERSITY



JAKS recognises the importance of biodiversity conservation as a fundamental pillar of sustainable development. We are committed to minimising our ecological footprint and implementing proactive measures to prevent or reduce potential impacts on biodiversity within our operational areas.

Our Approach

JAKS does not operate in areas of high biodiversity value and ensures that all environmental impacts across our business divisions are kept to a minimum and within the thresholds set by the Department of Environment ("DoE"). Our approach to biodiversity preservation is reflected in our robust environmental management practices and adherence to all relevant regulations, ensuring that potential environmental impacts are identified, mitigated, and closely monitored. Depending on the project's scope, we appoint on-site environmental personnel to oversee compliance with regulatory requirements and implement targeted mitigation strategies to safeguard the surrounding ecosystem.

Before initiating any project, we conduct EIAs should they be mandated by authorities to evaluate potential risks and determine appropriate measures for biodiversity protection. We also collaborate with certified environmental consultants to develop Environmental Monitoring Plans ("EMPs"), produce compliance reports, and station dedicated environmental officers at project sites to ensure all activities align with regulatory and sustainability standards.

Through stringent environmental governance and a commitment to continuous improvement, JAKS upholds its responsibility to protect biodiversity, mitigate ecological risks, and promote long-term environmental sustainability in all operational areas.

Sustainability Statement

(cont'd)

SOCIAL

OCCUPATIONAL HEALTH AND SAFETY

Safeguarding the health and safety of our workforce is a core pillar of JAKS' operational excellence. Our approach is not only a testament to our unwavering commitment to occupational well-being but also a strategic imperative that underpins the sustainable success of our operations. We recognise that a safe workplace is a productive workplace, and by aligning with best practices and standards in the industry, we create an environment where our employees and stakeholders can thrive.



Our Approach

JAKS adheres to stringent Occupational Health and Safety ("OHS") standards, ensuring compliance with both national and international regulations. These include the Malaysian Occupational Safety and Health Act 1994 and its Amendment in 2022, the Environmental Quality Act 1974, the Construction Industry Development Board Act 520, and ISO 45001:2018. We continuously refine our OHS policies to align with evolving regulatory requirements, reflecting our commitment to best practices and legal compliance. In alignment with the OSHA Amendment 2022, we have further strengthened our OHS governance by improving internal reporting mechanisms, enhancing protection for employees and OSH representatives, and broadening accountability for safety outcomes across all operational levels.

Our comprehensive OHS policies apply to all employees, contractors, and external stakeholders. These policies are grounded in ISO 45001 standards and provide a structured framework for identifying, evaluating, and managing workplace safety and health risks. To embed these standards in day-to-day operations, employees undergo mandatory OHS induction and refresher training, complemented by regular toolbox meetings and briefings. Safety is a shared responsibility. Our Board, Executive Management, and Safety Department collaborate to drive a safety-first culture. Performance is closely monitored against key OHS KPIs including work-related fatalities, Lost Time Incident Rate ("LTIR"), and non-compliance with safety laws. Safety initiatives are communicated through toolbox talks, while emergency preparedness is reinforced through fire drills and scenario-based training.

Post-COVID-19 Health Resilience

While the acute phase of the COVID-19 pandemic has passed, JAKS continues to implement health protocols introduced during the pandemic. Enhanced hygiene practices, health screenings, and emergency response planning are now embedded into our OHS framework. These practices support long-term workplace resilience and align with ISO 45001 and OSHA 2022 updates. The pandemic underscored the importance of proactive health risk management, which now forms a permanent part of our safety strategy.

JAKS also recognises the importance of addressing global health concerns such as HIV/AIDS, tuberculosis, and malaria. Although a formal programme is not yet in place, we remain committed to initiatives that support both employee wellness and community health. Our COVID-19 prevention efforts were among the proactive steps taken to safeguard the well-being of our workforce and the public. Our OHS framework includes:

- Performance Measurement & Monitoring
- Use of Personal Protective Equipment ("PPE")
- Chemical Handling & Spillage Control
- Emergency Preparedness & Response
- Emergency First Aid & CPR

Sustainability Statement (cont'd)

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

Post-COVID-19 Health Resilience (Cont'd)

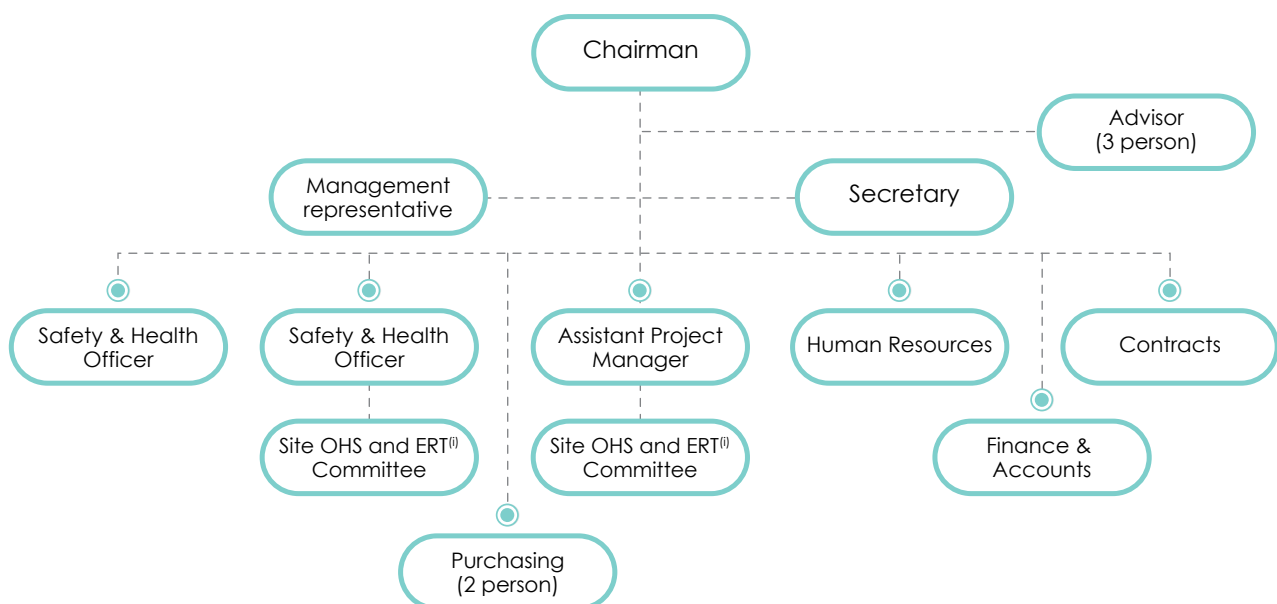
Internal and external audits, conducted in line with ISO 45001, ensure compliance with our OHS policies. Monthly audits help track our performance and ensure continuous improvement. Any non-compliance issues are addressed through formal corrective action procedures. As of FY2024, 100% of our operational sites are certified under ISO 45001:2018. We achieved zero cases of regulatory non-compliance in safety and health, aligning with our target of achieving zero cases of non-compliance with occupational health and safety regulations while affirming the effectiveness of our system. No corrective actions were required, reinforcing our pursuit of excellence in workplace safety... As a result, no corrective actions were required, underscoring our commitment to maintaining the highest safety standards across all operational facets.

OHS COMMITTEE

To drive meaningful safety governance, JAKS has established an OHS Committee comprising 10 employees, representing 9% of our total workforce. This committee plays a pivotal role in monitoring and facilitating OHS-related initiatives, convening quarterly to review safety policies, address concerns, and engage with management on workplace health and safety issues. These structured discussions ensure a dynamic feedback loop, allowing for continuous safety enhancements that protect our workforce and uphold operational integrity.

In FY2024, the OHS Committee met a total of 4 times, bringing together employees from various levels and departments. These meetings focused on safety and health matters, along with addressing employee concerns. Detailed minutes were documented for all discussions to ensure transparency and follow-up.

The table below outlines the reporting structure of the OHS Committee:



Note: ⁽ⁱ⁾ Refers to the Emergency Response Team.

Our CEO, Mr. Ang Lam Poah, who is also a member of the Board, serves as the highest authority overseeing OHS matters and advised by the Group's competent persons registered with the Department of Occupational Safety and Health ("DOSH"). Key topics such as OHS performance enhancements, incident occurrences, and preventive measures to mitigate recurrence are regularly reviewed during Board meetings. Additionally, our CEO has endorsed the Health and Safety Guidelines. Furthermore, all Heads of Departments are inherently responsible for ensuring the health and safety of employees within their respective teams.

Sustainability Statement

(cont'd)

OHS RISK ASSESSMENT

Understanding that construction activities inherently involve heightened safety risks, JAKS employs a proactive stance in risk mitigation. Our Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") methodology is rigorously applied across all operational sites, allowing us to systematically identify and address high-risk hazards. JAKS ensures the accuracy of its OHS data through external verification by SIRIM during the annual ISO 45001 audit. Additionally, the Group proactively conducts risk assessments for both potential new operations and existing projects, identifying and addressing any potential hazards to ensure a safe and compliant work environment, reflecting its continual dedication to the safety of its employees and improvement of safety practices across all operations.

Prior to commencing work, our teams conduct safety briefings, toolbox talks, and OSH inductions to ensure employees are well-informed about potential risks and best practices. Site Safety Officers conduct regular inspections, flagging unsafe practices for immediate rectification by project managers. This structured vigilance ensures a culture of accountability and risk awareness at every stage of our projects.

Additionally, we have integrated safety measures within our properties, such as Evolve Concept Mall and Pacific Towers Business Hub. These include the installation of firefighting equipment, smoke detectors, and sprinkler systems, as well as the enforcement of a non-smoking policy with clear signage. Routine maintenance of emergency equipment, such as fire exits and emergency lights, further reinforces our commitment to occupant safety.

The table below illustrates the health and safety activities conducted by JAKS with the following frequencies:

No.	Activities	Purpose	Frequency
1.	Safety Induction	To provide necessary safety training and information for new workers to ensure they are aware of and adhere to the safety protocols and guidelines	For new workers
2.	Workplace Inspection Checklist	To conduct regular inspections of the workplace to identify and address potential safety hazards or issues	Monthly
3.	Fire Extinguisher Checklist	To ensure that fire extinguishers are in proper working condition and readily available in case of a fire emergency incident	Monthly
4.	First Aid Checklist	To verify the availability and completeness of first aid supplies and equipment, ensuring prompt medical assistance is given in case of injuries or medical emergencies	Monthly
5.	Emergency fire drill	To practice and evaluate the response and evacuation procedures in the event of a fire emergency, ensuring all occupants are familiar with safe reactions	Annually
6.	Emergency Evacuation	Ensure that all occupants are familiar with evacuation procedures and can safely exit the premises in various emergency scenarios	Annually
7.	Trade training for workers	To provide specialised training to workers in their respective trades, ensuring they have the necessary skills and knowledge to perform their tasks safely and effectively	As necessary
8.	Machinery Inspection (Initial)	To ensure the machinery meets safety standards and is safe to operate before any work is commenced	At the point of arrival at the site
9.	Machinery Inspection	To identify and address potential safety issues arising from machinery breakdown, ensuring continued safe operation.	Quarterly

OHS PROGRAMMES AND TRAINING

Training remains an indispensable component of our OHS strategy. In FY2024, 24 employees from various departments participated in health and safety training programmes, accumulating a total of 96 training hours. These sessions are designed to enhance safety awareness, equipping employees with the knowledge and skills necessary to mitigate workplace risks effectively.

Sustainability Statement (cont'd)



Our Performance

JAKS remains steadfast in its mission to maintain a zero-harm workplace. While there were no new or ongoing construction projects during the reporting period, the following OSH performance data reflects the manhours recorded for maintenance activities at the LSS4 PV site. In upholding our commitment to safety excellence, the Group recorded zero work-related fatalities and maintained a zero LTIR. Throughout the year, we sustained our focus on workplace safety through continuous OSH training and awareness programmed, reinforcing a culture of vigilance and care across our operations.

OSH Training and Performance Data	FY2022	FY2023	FY2024
Number of Employees Trained on Health and Safety Standards	N/A	71	24
Total Training Hours	N/A	25	96
Total Manhours (Hours)*	N/A	N/A	974,475
Lost-time Injury Rate ("LTIR")	0.00	0.00	0.00
Number of work-related fatalities	0	0	0

Note: Past year data on total manhours worked have been restated as N/A due to enhanced data collection process, resulting in limitations in data availability. JAKS acknowledges the limitation and remains committed to enhancing data collection, with ongoing efforts to address relevant gaps in future reporting cycles.

Performance monitoring is conducted through key indicators such as incident rates, audit findings, and corrective actions, while benchmarking against industry standards ensures our continued leadership in workplace safety. Performance monitoring is conducted through key indicators such as incident rates, audit findings, and corrective actions, while benchmarking against local and international industry standards and ensures our continued leadership in workplace safety.

EMPLOYEE MANAGEMENT

The success of JAKS is not possible without emphasising the dedication, talent, and well-being of our employees. As the driving force behind our achievements, our workforce plays a vital role in fostering innovation, operational excellence, and continuing sustainability. We are committed to cultivating a work environment that prioritises engagement, professional growth, and job satisfaction while ensuring compliance with labour regulations and industry best practices.

Sustainability Statement

(cont'd)

EMPLOYEE MANAGEMENT (CONT'D)

Beyond fulfilling our corporate responsibilities, investing in employee management contributes to broader economic and social impact. By implementing fair hiring practices, talent retention strategies, and employee well-being initiatives, we not only strengthen our organisation but also contribute to local employment opportunities and community development.



Our Approach

TALENT ATTRACTION & RETENTION

JAKS is dedicated in attracting and retaining top talent through fair and inclusive hiring practices. Our recruitment process adheres to local labour laws and regulations, ensuring equal opportunities for all candidates. To remain competitive, we offer a comprehensive rewards system, which includes both monetary and non-monetary benefits, such as competitive salaries, performance-based incentives, and employee recognition programmes. Additionally, we provide a holistic benefits package encompassing health and wellness initiatives, professional development opportunities, and flexible work arrangements to support work-life balance.

We prioritise the recruitment of local talent across various levels, reinforcing our commitment to the community and enhancing local economic growth.

To maintain high workplace standards, JAKS extends its commitment beyond recruitment to responsible sourcing. We collaborate with suppliers that align with our values, following ISO 9001 evaluation procedures to ensure ethical employment practices across our supply chain.

Recognising the importance of seamless integration for new hires, we have a structured induction programme that includes a welcome session, orientation, and departmental introductions. This ensures that employees feel valued from their first day. Similarly, our exit process is designed to be professional and insightful, incorporating exit interviews to gather feedback that helps refine our employee engagement strategies.

EMPLOYEE SATISFACTION

JAKS is committed to continuously enhancing employee experience by ensuring that workplace policies remain transparent, fair, and aligned with industry standards. We regularly review and update our Employee Handbook to reflect evolving work conditions, ensuring that our employees are well-informed about their rights and responsibilities.

JAKS continuously reviews and enhances workplace policies to align with evolving employee needs and industry standards. This includes working hours, maternity and paternity leave, sick leave, hospitalisation benefits, and workplace harassment policies. These efforts reaffirm our commitment to fostering a supportive and equitable work environment.

Our compensation and benefits framework is structured based on factors such as role, experience, qualifications, and performance, with regular benchmarking against industry best practices to maintain fairness and competitiveness. In addition to structured benefits, we nurture a sense of community and belonging by celebrating employee milestones, recognising contributions during Town Hall sessions, and offering tokens of appreciation.

Sustainability Statement

(cont'd)

EMPLOYEE SATISFACTION (CONT'D)

Leaves

- Annual Leave up to 26 days
- Substitute Leave
- Medical & Hospitalisation Leave
- Maternity Leave
- Compassionate Leave
- Contingency Leave
- Congratulatory Leave
- Examination Leave
- Paternity



Allowances

- Meal Allowance
- Parking Reimbursement
- Subsistence Allowance
- Travelling Reimbursement
- Hamper (Hospital Admission)
- Compassionate Token
- Business Travel Allowance
- Accommodation Reimbursement
- Outstation Allowance
- Handphone Reimbursement
- Professional Membership Reimbursement



Medical

- Annual Medical Checkup & Health Screening



Insurance

- Hospital & Surgical Insurance
- Group Personal Accident Insurance
- Term-Life Insurance



Others

- Long Term Incentive Plan
- Long Service Award Training



ZERO TOLERANCE FOR HARASSMENT

JAKS upholds a zero-tolerance policy towards workplace discrimination and harassment, as outlined in our Company Policy on Eliminating Discrimination in the Workplace. This policy reinforces our commitment to fostering a safe, respectful, and inclusive work environment.

We have established clear reporting procedures for incidents of harassment, ensuring confidentiality and efficiency in handling cases. Employees are encouraged to report any concerns, and prompt action is taken through thorough investigations and corrective measures, in strict compliance with JAKS' human resource policies and regulatory requirements.

Our Performance

At JAKS, we continuously evaluate our workforce dynamics to ensure a stable and engaged team that drives our long-term success. In FY2024, the Group successfully hired 7 (seven) new employees, reinforcing our commitment to attracting top talent. Additionally, we maintained a turnover rate of 0.09%, reflecting the effectiveness of our talent retention strategies.

New Hires			
Year	FY2022	FY2023	FY2024
Total New Hires	7	3	7
Gender			
Male	4	1	5
Female	3	2	2
Age			
≤ 30 years old	5	1	2
31-50 years old	2	2	5
51-64 years old	N/A	N/A	0
≥ 65 years old	N/A	N/A	0

Sustainability Statement

(cont'd)

ZERO TOLERANCE FOR HARASSMENT (CONT'D)

Employee Turnover By Gender and Age			
Year	FY2022	FY2023	FY2024
Total Turnover	25	15	9
Full-Time Staff Voluntary Turnover Rate (%)	0.22	0.15	0.09
Gender			
Male	13	9	7
Female	12	6	2
Age			
<30 years old	8	1	2
30-50 years old	9	9	6
>50 years old	8	5	1

Employee Turnover By Employee Category by Number & Percentage			
Year	FY2022	FY2023	FY2024
Management	4 (6.90%)	6 (11.32%)	3 (5.66%)
Executive	15 (34.88%)	8 (22.86%)	5 (13.51%)
Non-Executive	6 (26.09%)	1 (4.76%)	1 (5.00%)

Note: Figures for FY2022 and FY2023 have been restated due to subsequent refinement in data configuration and breakdown.

SALARY AND REMUNERATION

	FY2022	FY2023	FY2024
	RM'000	RM'000	RM'000
Total payments made to employees in terms of salaries, bonuses and benefits	31,050	28,579	17,647
Total statutory payments made for employees' retirement benefits ("EPF")	1,466	1,415	1,331
Total payments in medical insurance ("SOC SO") for employees	92	99	99

PARENTAL LEAVE

JAKS knows the importance of supporting employees in balancing work and family responsibilities, which is why parental leave is provided for both male and female employees.

	FY2022	FY2023	FY2024
Number of employees entitled to Parental Leave	124	109	110
Number of employees who utilised Paternity Leave	0	1	1
Number of employees who utilised Maternity Leave	0	1	1

Sustainability Statement (cont'd)

POST-PARENTAL LEAVE

	FY2022	FY2023	FY2024
Return To Work Rates			
Male	0%	100%	100%
Female	0%	100%	100%
Retention Rates			
Male	0%	100%	100%
Female	0%	100%	100%

DIVERSITY AND EQUAL OPPORTUNITY

The Group understands that diversity and equal opportunity are not just ethical principles but catalysts for innovation and long-term success. A diverse workforce brings together unique perspectives, fuels creativity, and strengthens decision-making, enabling JAKS to drive sustainable growth.



Our Approach

We are committed to fostering an inclusive environment where all employees, regardless of gender, age, race, ethnicity, religion, nationality, or ability, are empowered to contribute to our shared vision. Our commitment extends beyond policy statements as it is embedded in our corporate culture, governance structure, and daily operations.

Backed by the active oversight of our Board of Directors and Executive Management, we continuously strive to uphold fair employment practices, eliminate workplace discrimination, and ensure equal opportunities for all. By aligning with industry best practices and regulatory frameworks such as the Malaysian Code on Corporate Governance ("MCCG"), we reinforce our dedication to workplace diversity and equity.

JAKS promotes diversity and inclusivity by integrating fair employment practices across recruitment, career development, and leadership opportunities. Our policies, including the Company Policy on Eliminating Discrimination in the Workplace and the Fit & Proper Policy, establish clear guidelines for equitable hiring, promotion, and treatment of employees at all levels, including Board representation.

We uphold a strict merit-based approach in recruitment and career advancement, ensuring that all hiring and promotions are free from bias and discrimination. Our equal opportunity framework supports individuals from all backgrounds in realising their full potential. Through training, engagement programmes, and internal communications, we cultivate a workplace culture that values diverse perspectives and fosters collaboration.

In addition, we prioritise initiatives that enhance employment opportunities for women, persons with disabilities, and younger talent, ensuring our workforce reflects the communities we serve. Governance and oversight of our diversity policies are entrusted to the HR Department, which monitors compliance, implements strategic action plans, and ensures all grievances related to discrimination are addressed fairly and transparently.

Sustainability Statement

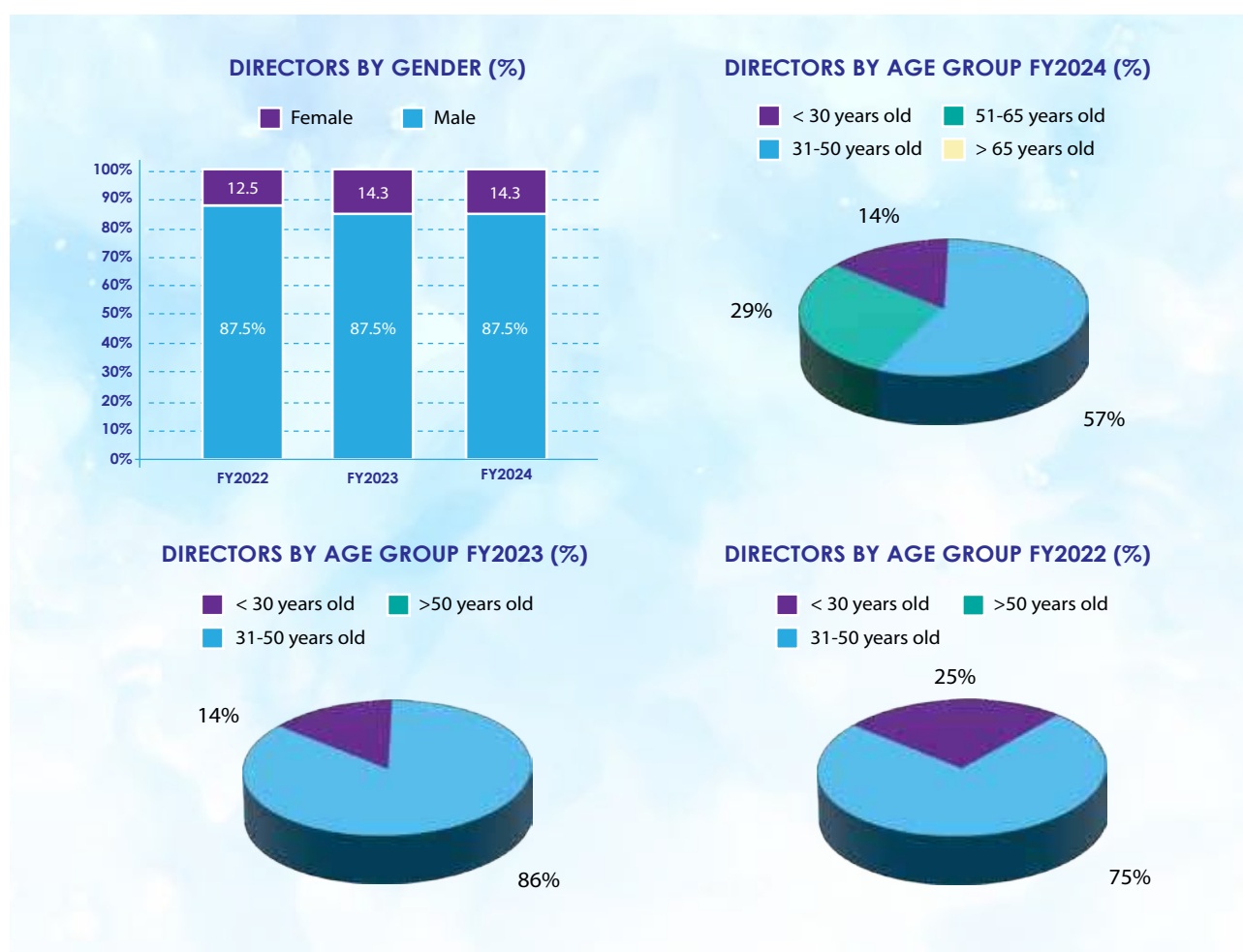
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DIVERSITY AND EQUAL OPPORTUNITY (CONT'D)

Our Performance

BOARD DIVERSITY

At the Board level, our demographic analysis for FY2024 encompasses a total of 7 Directors, 6 male and 1 female, as illustrated in the following charts. We acknowledge the MCCG's recommended target of achieving 30% female representation at the Board level. In line with this, we have set a KPI to achieve 30% female representation by FY2027. We will continue to evaluate new appointments based on expertise, experience, and alignment with our diversity goals, ensuring that gender diversity remains a key consideration in our recruitment process



Note: The categorisation for FY2022 and FY2023 was based on a different metric.

Sustainability Statement (cont'd)

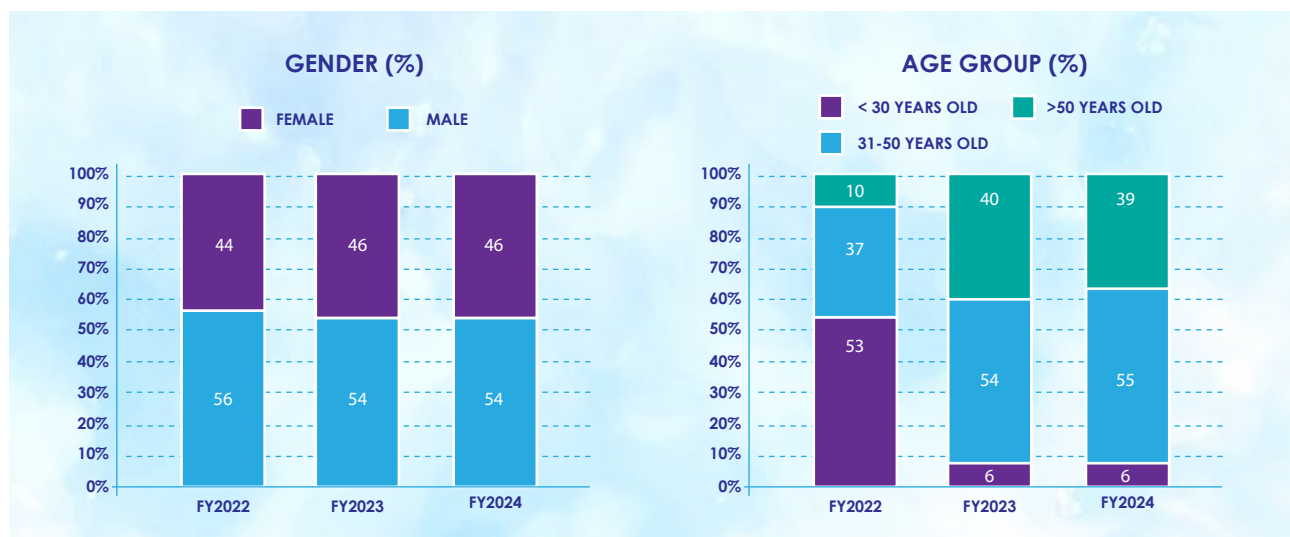
EMPLOYEE DIVERSITY

As of 31 December 2024, our workforce consists of 110 employees from various backgrounds, which is categorised as follows:

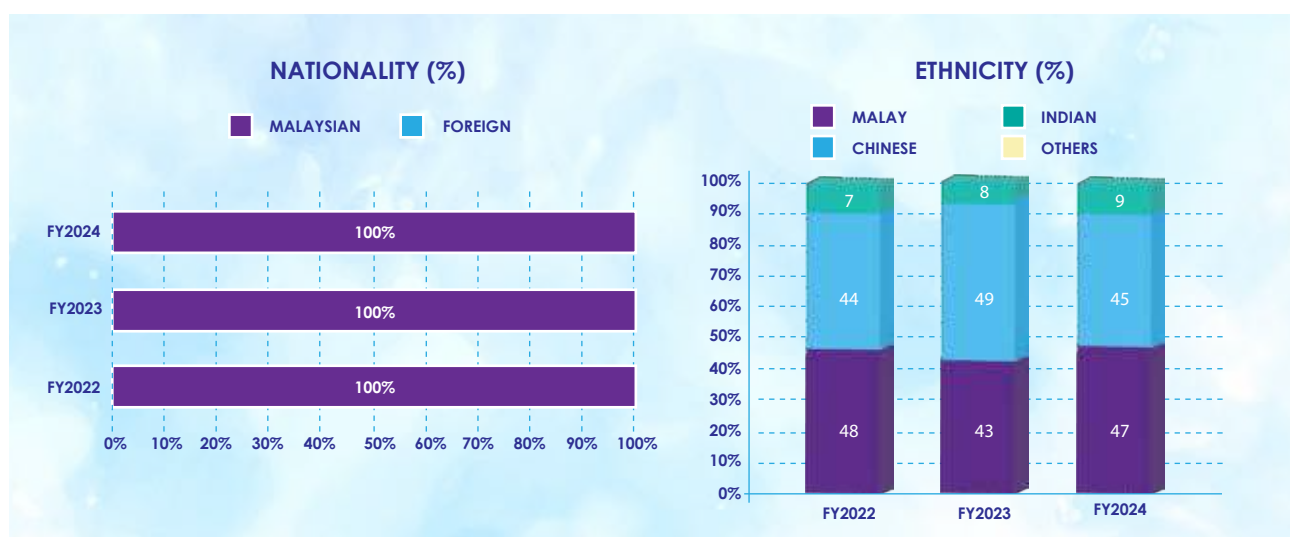
Total Employees

In FY2024, our total workforce composition reflects a balanced gender ration with 54% male and 46% female employees.

Our workforce reflects a balanced mix of experience and fresh perspectives. A majority of employees (55%) are aged 31–50, contributing both expertise and energy to our operations. Those aged 51–64 make up 39% of the workforce, offering strong leadership and deep industry knowledge. Meanwhile, employees under 30 represent 6%, reflecting our ongoing efforts to attract young talent who bring innovation and fresh ideas to the organisation. To attract young talent, we actively advertise job opportunities on JAKS' website and digital recruitment platforms preferred by younger job seekers. We remain committed to further strengthening our talent pipeline through continuous engagement and inclusive hiring initiatives.



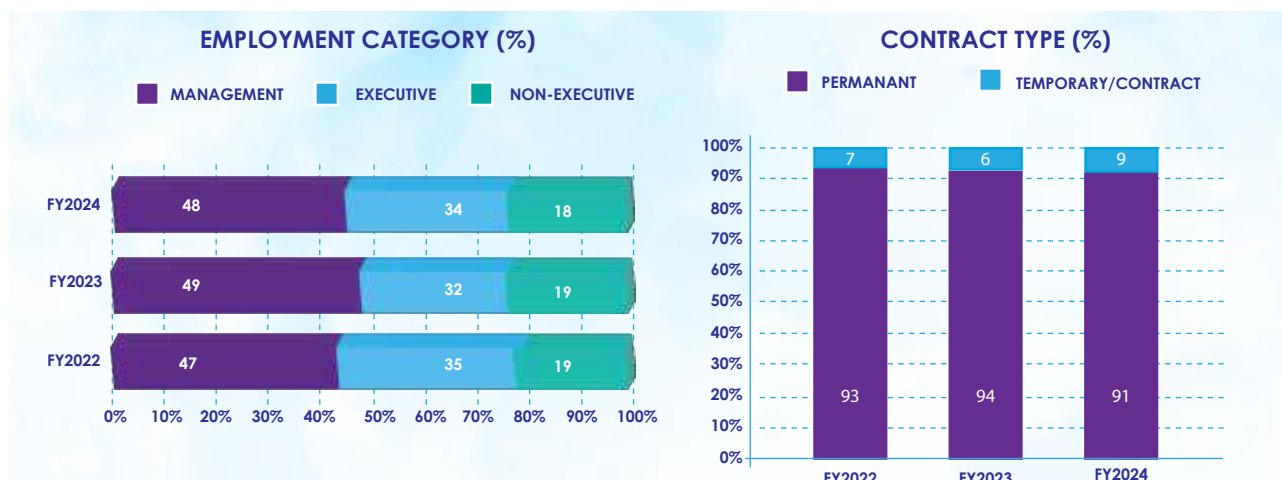
Note: The age group data for FY2022 and FY2023 used a different categorisation, with age groups 20-29 years old, 30-49 years old-40 and ≥50 years old.



Sustainability Statement

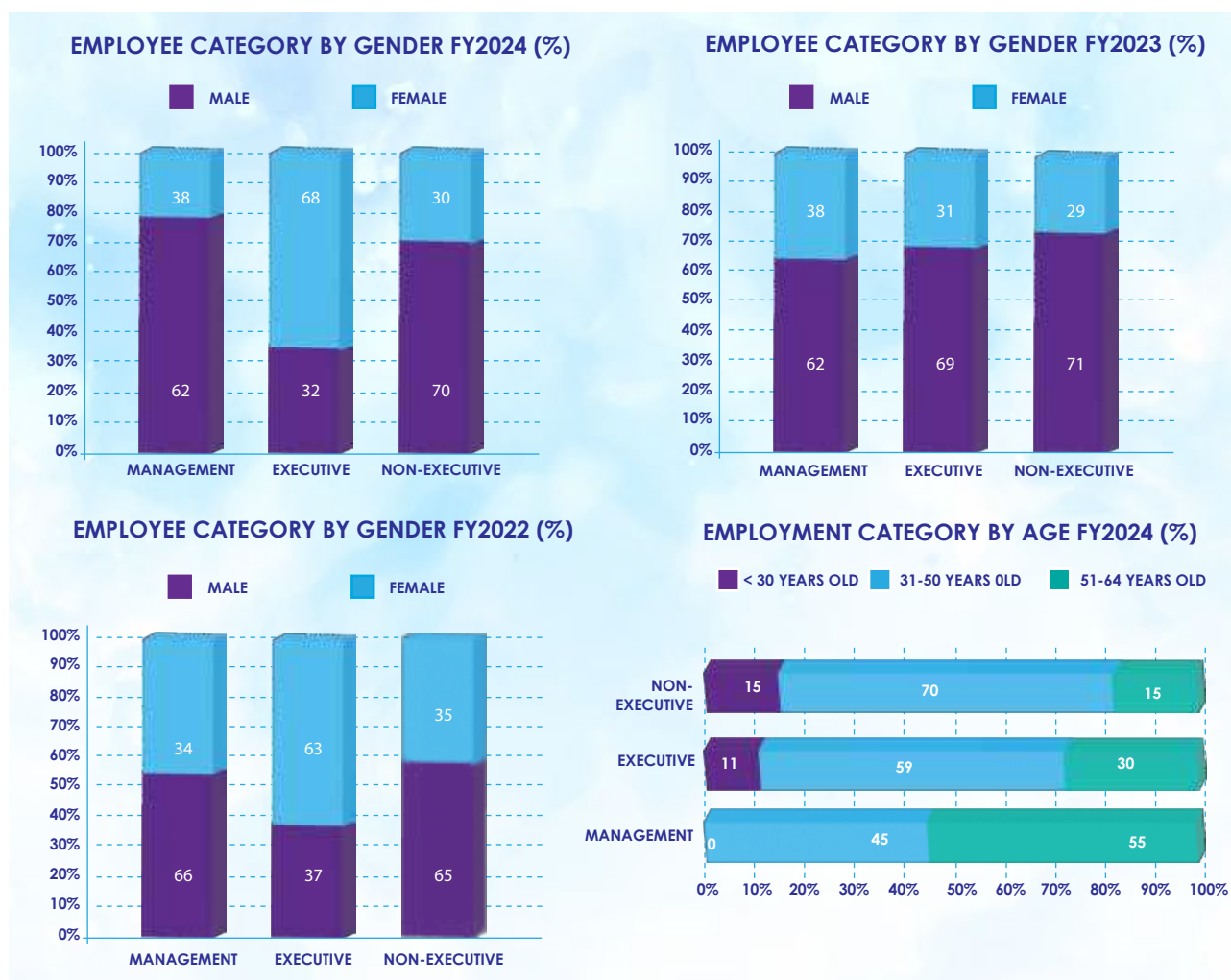
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EMPLOYEE DIVERSITY (CONT'D)



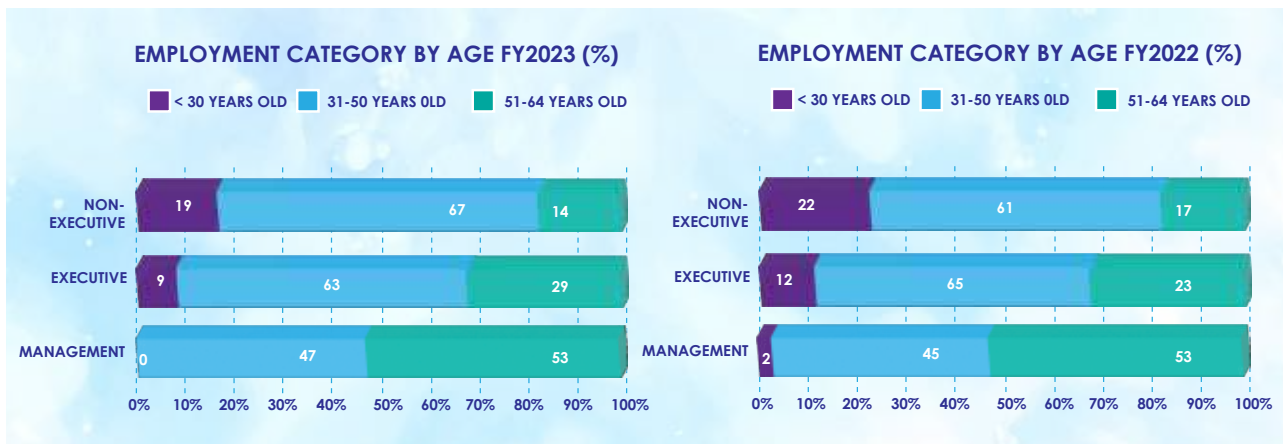
Employees with Disabilities			
Year	FY2022	FY2023	FY2024
Percentage (%)	1	1	1

EMPLOYEE BREAKDOWN BY GENDER AND AGE



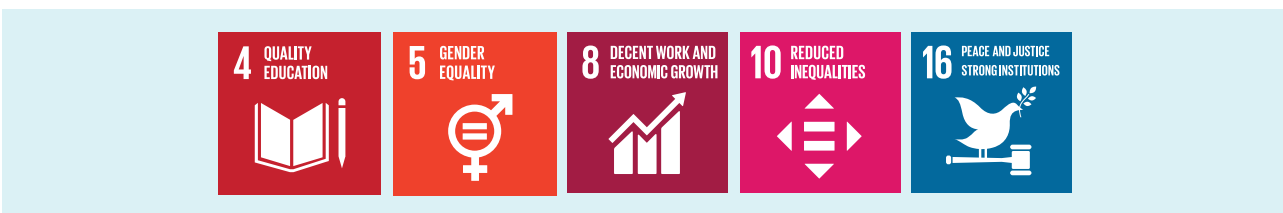
Sustainability Statement (cont'd)

EMPLOYEE BREAKDOWN BY GENDER AND AGE (CONT'D)



RESPECTING HUMAN RIGHTS

JAKS firmly sustains fundamental human rights principles, integrating them into our corporate values and business operations. We are committed to fostering a workplace that is fair, inclusive, and respectful, ensuring that human rights are protected across our entire value chain.



Our Approach

Our commitment aligns with internationally recognised human rights frameworks, including the International Labour Organisation ("ILO") standards, as well as Malaysia's employment laws, such as the Malaysia Employment Act 1955 and the Employment (Limitation of Overtime Work) Regulations 1980. While we have not yet formally committed to the UN Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises, we remain open to exploring these frameworks in the future as part of our continuous commitment to strengthening ethical and social responsibility practices.

JAKS has established a Human Rights Policy, available on our company website at <https://www.jaks.com.my>, which is periodically reviewed to ensure its relevance and adequacy. This policy serves as a framework for protecting and promoting human rights across our operations and business engagements. Our CEO serves as the highest governance body overseeing matters related to human rights, while our management and departmental heads is responsible for overseeing the implementation of this policy. The management team is also responsible for ensuring adherence to the Human Rights Policy, promoting awareness among employees, and ensuring that employees who raise concerns or complaints are not subjected to retaliation.

The Group is steadfast in maintaining a zero-tolerance stance against harassment, discrimination, bullying, and victimisation, reinforcing our commitment to an equitable and respectful work environment. JAKS strictly prohibits child labour, forced labour, and modern slavery, ensuring compliance with both local labour laws and international best practices. Our commitment to human rights extends beyond our internal workforce to include the communities where we operate, as well as our suppliers and subcontractors, ensuring they also uphold their human rights responsibilities. To safeguard fair treatment, we ensure that our employees receive concise and clear employment contracts that outline their rights, wages, working hours, and conditions for termination.

Sustainability Statement

(cont'd)

RESPECTING HUMAN RIGHTS (CONT'D)

We have identified salient human rights risks and have implemented the following mitigation measures:

Child labour	JAKS is committed to supporting children's rights through its anti-child labour practices, which are aligned with local laws. The Group has implemented monitoring mechanisms to ensure that all employees meet the minimum recruitment age requirements under the Children and Young Persons (Employment) Act 1996.
Forced labour and responsible recruitment	JAKS is dedicated to ethical labour practices, adhering to local labour and immigration laws when employing foreign or migrant workers. The Group strictly rejects forced, prison, bonded, or involuntary labour.
Local employment	JAKS is committed to local employment, prioritising the hiring of locals and supporting the local community's growth and economic development.

JAKS recognises that human rights violations impact employee well-being and organisational ethics. To prevent this, we continuously monitor worksites and suppliers for risks such as child or forced labour, enforcing strict disciplinary actions for breaches.

Our Human Resources ("HR") Department ensures the effectiveness of the Human Rights Policy, conducting training and awareness sessions while handling complaints fairly and taking necessary action against violations.

We communicate our labour practices and human rights policies through multiple channels, including our website, emails, workplace bulletins, memos, and the Employee Handbook, which outlines employee rights, benefits, ethical standards, and grievance mechanisms.

JAKS upholds fair employment practices, exceeding minimum wage standards and ensuring full compliance with Malaysian labour laws. Policies are accessible in multiple languages, and while a formal stakeholder engagement mechanism is not yet in place, we remain open to future collaboration to strengthen our human rights strategies.

NON-JUDICIAL GRIEVANCE MECHANISM

JAKS ensures that human rights are upheld across the Group by providing a non-judicial grievance mechanism for employees and stakeholders to report concerns confidentially and safely.

While employees are encouraged to resolve issues informally, management fully supports their right to escalate matters through formal grievance procedures if necessary. When human rights concerns arise, we conduct thorough investigations to assess their impact and take swift corrective action.

To reinforce our commitment to a safe and respectful workplace, we have implemented an Anti-Sexual Harassment Policy alongside our grievance framework. The HR Department oversees these mechanisms, which are formalised in the Employee Handbook, ensuring accessibility and adherence to established policies and procedures.

Sustainability Statement (cont'd)

NON-JUDICIAL GRIEVANCE MECHANISM (CONT'D)

Our Performance

In FY2024, the Group reported zero cases of human rights and labour standards violations through its grievance mechanism channels. This reflects our strong commitment to upholding ethical labour practices and ensuring compliance with legal standards in alignment with our annual target of maintaining zero incidents of human rights violations and discrimination. We continue to strengthen our human rights monitoring framework and are exploring strategies to further enhance our due diligence processes.

Moving forward, JAKS is committed to enhancing its approach by adopting more robust risk assessment measures in line with evolving industry standards and emerging trends.

Number of labour rights violations	
FY2024	0
FY2023	0
FY2022	0

Number of substantiated complaints concerning human rights violations	
FY2024	0
FY2023	0
FY2022	0

TRAINING AND DEVELOPMENT

JAKS understands that a highly skilled workforce is the essence of lasting success and organisational resilience. With rapid technological advancements and evolving industry landscapes, investing in training and development is imperative to empower our employees to adapt, innovate, and contribute meaningfully to the Group's growth. Beyond strengthening individual capabilities, our dedication to professional development has a broader economic impact, driving industry excellence and ensuring that our talent remains aligned with global best practices.



Our Approach

The Group takes a structured approach to training and development, ensuring that employees at all levels are equipped with the skills and knowledge necessary to excel in their roles. Our Human Resources ("HR") department, in collaboration with management and departmental heads, oversees the implementation of training initiatives, while the Board and Executive Management provide strategic oversight. A training needs analysis form is filled out by each Department Head in relation to recommending the training needs required for their subordinates.

To support these efforts, we allocate dedicated financial resources towards training programmes and implement assessment frameworks to evaluate training effectiveness. We encourage employees to take ownership of their professional growth by actively participating in skill-building opportunities. Our initiatives align with ISO 9001 standards, ensuring a structured and systematic approach to learning and development.

To further strengthen our commitment, we provide constructed training plans that cover both technical and soft skills critical to the Group's operations. These plans are regularly reviewed to identify and address skills gaps, supporting employees in achieving their career development goals. Our training and development framework incorporates a blend of physical and online learning channels, including webinars, conferences, and upskilling programmes tailored to job functions. By integrating diverse learning methods, we empower our employees with the expertise and knowledge required to excel in their roles and contribute meaningfully to the Group's success.

Furthermore, we utilise course evaluation forms to assess the effectiveness of training programmes, enabling us to continuously refine and enhance our learning initiatives. Looking ahead, we are committed to strengthening our training strategies, including team-building programmes, and introducing more tailored learning pathways that align with industry standards, such as CIDB, as well as emerging trends.

Sustainability Statement

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TRAINING AND DEVELOPMENT (CONT'D)

The table below illustrates the training programmes conducted by JAKS:

FY2022	<ul style="list-style-type: none"> • Authorised Gas Tester & Entry Supervisor for Confined Space Refresher • HRD Corp Workshop 2022 • ISO 45001:2018 • Guideline On Management of Occupational Noise Related • MIA Webinar Series - CFO's Business Strategic Consulting & Coaching • (MC) Workshop on "What Must Employers Do to Win Dismissal Cases At The Industrial Court" • Industrial Relations Conference 2022
FY2023	<ul style="list-style-type: none"> • Anti Bribery & Corruption Personal data protection act talk (PDPA) • Forum titled "Women in Business: Leading with Compassion" • Webinar on forced labour in Malaysia • Personal data protection act 2010 & standards 2015 and compliance implementation • Kerja-kerja membina tangki bekalan air, rumah pam & pemasangan paip luaran • HRD Corp Workshop • Trenchless Asia 2023 • Memahami Syarat-syarat kontrak JKR 23A (Modul 1) • Struktur Saliran Pengaliran & Kawasan Banjir • MIA Conference 2023 • Emergency Fire Fighting & Fire Drill • AIAC CIPAA Conference • How to present your company's case successfully at the industrial relations department & at IR • Tools for the prevention and management of labour disputes in the workplace • Webinar on employment (amendment) act 2022 • Membudayakan mindset bekerja tanpa kemalangan • First Aid, CPR & AED Training • IGEN 2023 Solar Energy Mini Seminar • Understanding Financial Analysis • Tax Webinar on Budget • Guidelines on medical surveillance program at the workplace • The future of work MEF International Relations Conference '23 • Bayaran dan akaun muktamad dalam kontrak kerja
FY2024	<ul style="list-style-type: none"> • Memahami Dan Melaksanakan Iso45001:2018 • Emergency Fire Fighting Training • Osha (Amendment 2022) • The Future of OSH: Trends and Transformation In Osha • Tatacara Perolehan Dan Penilaian Sebut Harga Dan Tender • Hrd Corp Workshop • Pcb Calculation and Tax Treatment on Employee Benefits • MEF Industrial Relations & Conference 2024 • Finance For Non-Finance Managers and Executives • Budgeting And Budgetary Control • Corporate Strategy and Growth Planing for Managers And Executives • Taxpod Masterclass 3.1 • BDO Tax Seminar on Budget 2025 • Kursus Kerja Bangunan-Pengubahsuaian (B28) • Kursus Skp-Kerja Bangunan Hospital (Skp B29) • Ibs-Precast Concrete Panel (Skpboi) • Kerja Bangunan-Penyenggaraan Dan Persekitaran Kompleks (B24) • Opportunity To Become A Vendor For Plus Malaysia

Sustainability Statement (cont'd)

TRAINING AND DEVELOPMENT (CONT'D)

Our Performance

In FY2024, JAKS recorded a total of 720 training hours, with a spend of RM21,496.99 towards development initiatives. Additionally, 100% of employees underwent structured performance appraisals on a regular basis, ensuring that training needs were continuously identified and addressed.

Moving forward, JAKS aims to achieve a target of providing an average of 8 training hours per employee annually at the executive level and above, reinforcing our commitment to continuous learning and workforce excellence.

	FY2023	FY2022	FY2021
Total training hours as a company	584	914	720
Total training spend (RM)	RM 6,900.00	RM 21,420.48	RM 21,496.99
Average Training Hours Per Employee	4.71	8.39	6.55
Average Training Days Per Employee	0.57	1.84	1.76
Average Training Spend Per Employee (RM)	55.65	196.52	195.43

GENDER

	FY2023	FY2022	FY2021
Total Employees Attended Training			
Male	71	27	14
Female	57	35	37
Average Training Hours by Gender			
Male	4.46	6.16	3.14
Female	5.02	11.01	10.49
Total Training Hours by Gender			
Male	308.00	363.50	185.00
Female	276.00	550.50	535.00

EMPLOYEE CATEGORY

	FY2023	FY2022	FY2021
Average Training Hours			
Management	3.31	8.55	5.21
Executive	8.09	10.11	5.10
Non-Executive	1.91	5.10	1.30
Total Training Hours			
Management	192	453	276
Executive	348	354	418
Non-Executive	44	107	26

Sustainability Statement

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ENGAGEMENT WITH INTERNAL COMMUNITIES

JAKS believes that engaging with employees is essential not only for enhancing productivity but also for cultivating professional growth and recognising their contributions. As our greatest asset, employee well-being remains a top priority, and the Group is committed to creating a workplace that promotes inclusivity, support, and a strong sense of belonging. A positive work environment is fundamental to both individual and organisational success.



Our Approach

To uphold this commitment, we implement various initiatives through Kelab Sukan dan Rekreasi JAKS to promote a culture of well-being and a healthy work-life balance. By prioritising employee satisfaction, we strive to cultivate a workplace that values both career development and overall well-being, ensuring our people feel motivated, supported, and engaged.

Our Performance

In FY2024, we successfully organised a range of activities aimed at strengthening employee relations and well-being. Key initiatives included are weekly sports activities, lunch gatherings for festive celebrations and company trips. These events not only fostered a strong team spirit but also contributed to a dynamic and positive workplace culture at JAKS.

	FY2022	FY2023	FY2024
	RM'000	RM'000	RM'000
Total Spend on Employee Engagement Activities (RM)	77	19	12

ENGAGEMENT WITH EXTERNAL COMMUNITIES

The Group's commitment to nation-building is reflected in the industries we invest in, each playing a role in driving progress and prosperity. Meaningful engagement with the community allows us to gain deeper insights into stakeholder priorities, empowering us to create lasting and positive change. By developing strong relationships and supporting initiatives that uplift society, we contribute to sustainable community growth and a more inclusive future.

Our Approach

As part of our commitment to responsible corporate citizenship, we actively support local initiatives and engage in community development efforts. By integrating employee participation into these programmes, we cultivate a strong culture of shared responsibility and social impact. This strategic approach not only reinforces our corporate reputation but also contributes to long-term, sustainable value creation for both our stakeholders and the broader community.



Sustainability Statement (cont'd)

ENGAGEMENT WITH EXTERNAL COMMUNITIES (CONT'D)

Our Performance

In FY2024, we enhanced community engagement through targeted initiatives and increased employee participation, strengthening stakeholder relationships and social impact. Moving forward, we will refine our approach to maximise effectiveness and align with our sustainability goals.

Employee Volunteerism			
Year	FY2022	FY2023	FY2024
Number of volunteering hours	0	0	0
Number of employees who volunteered	0	0	0
Percentage of employees who volunteered (%)	0	0	0

Total Amount Invested in the Community			
Year	FY2022	FY2023	FY2024
Amount	119,550	40,000	93,000

Number of Beneficiaries from the Community			
Year	FY2022	FY2023	FY2024
Number	4	4	7

MOVING FORWARD

Going forward, we remain dedicated to aligning our strategies with our vision of becoming a leader in our business divisions. We are committed to delivering reliable services, creating sustainable value, driving innovation, and fostering a positive workplace culture. The following outlines JAKS' commitment to proactively managing sustainability-related matters while continuously improving our reporting practices.

Enhance climate-related disclosure with relevant financial quantification into sustainability reporting

Continue to enhance our data tracking capabilities (eg: Scope 3 emission, local supplier expenditure for Property Investment and Construction Division, waste management etc)

Increase our community involvement

Increase our tender participation in renewable energy project

Continue enhancing human rights policy

Adoption of green initiatives/ energy saving such as switching off the lights during lunch hour

Establish comprehensive emission and energy profiles for future reduction targets

Continue to achieve our target of zero fatality rate through continuous improvement on health and safety measures, training etc

Continuously exploring ways to reduce the waste and water usage

Sustainability Statement

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SASB CONTENT INDEX

Engineering and Construction Services

Topic	Code	Metric	Disclosure / Page Reference
Environmental Impacts of Project Development	IF-EN-160a.1	Number of incidents of non-compliance with environmental permits, standards and regulations	0
	IF-EN-160a.2	Discussion of processes to assess and manage environmental risks associated with project design, siting and construction	Environmental Compliance (page 56 – 57)
Structural Integrity & Safety	IF-EN-250a.1	Amount of defect- and safety-related rework costs	RM 0
	IF-EN-250a.2	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	RM 0
Workforce Health & Safety	IF-EN-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	0
Lifecycle Impacts of Buildings & Infrastructure	IF-EN-410a.1	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	(1) 0 (2) 0
	IF-EN-410a.2	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	Energy Efficiency (Page 51 – 53)
Climate Impacts of Business Mix	IF-EN-410b.1	Amount of backlog for (1) hydrocarbon-related projects and (2) renewable energy projects	(1) RM 0 (2) RM 0
	IF-EN-410b.2	Amount of backlog cancellations associated with hydrocarbon-related projects	RM 0
	IF-EN-410b.3	Amount of backlog for non-energy projects associated with climate change mitigation	RM 0
Business Ethics	IF-EN-510a.1	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	0
	IF-EN-510a.2	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anti-competitive practices	(1) RM 0 (2) RM 0
	IF-EN-510a.3	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behaviour in the project bidding processes	Anti-Corruption (page 38 – 39)
Activity Metrics	IF-EN-000.A	Number of active projects	0
	IF-EN-000.B	Number of commissioned projects	0
	IF-EN-000.C	Total backlog	RM 0

Sustainability Statement

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GRI CONTENT INDEX

STATEMENT OF USE:	JAKS Resources Berhad has reported the information cited in this GRI content index for the period 1 January 2024 - 31 December 2024 with reference to the GRI Standards.
GRI 1 USED:	GRI 1: Foundation 2021

GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 2: General Disclosures 2021	2-1	Organizational details	-	-	-	-	-	About This Statement (page 21 – 23)
	2-2	Entities included in the organization's sustainability reporting	Scope and Basis of Scope					Climate Change (page 42 – 51); Energy Efficiency (page 51 – 53); Water Management (page 53 – 55)
	2-3	Reporting period, frequency and contact point						
	2-4	Restatements of information						
	2-5	External assurance	Assurance					Assurance Statement (page 22)
	2-6	Activities, value chain and other business relationships	-					Stakeholder Engagement (page 27 – 29)
	2-7	Employees	Labour Practices & Standards C6(b)	Labour Standards		SDG5, 8	Principle 6	Diversity and Equal Opportunity (page 65 – 69)
	2-8	Workers who are not employees						
	2-9	Governance structure and composition	Sustainability Governance	Corporate Governance		SDG16, 17	Principle 10	Board of Directors (page 7 – 10)
	2-10	Nomination and selection of the highest governance body						Sustainability Governance (page 25 – 27))
	2-11	Chair of the highest governance body						
	2-12	Role of the highest governance body in overseeing the management of impacts						
	2-13	Delegation of responsibility for managing impacts						
	2-14	Role of the highest governance body in sustainability reporting						

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
	2-15	Conflicts of interest						Board of Directors (page 7 – 10)
	2-16	Communication of critical concerns						
	2-17	Collective knowledge of the highest governance body						
	2-18	Evaluation of the performance of the highest governance body						
	2-19	Remuneration policies						Corporate Governance Overview Statement (page 87 – 94)
	2-20	Process to determine remuneration						
	2-21	Annual total compensation ratio						
	2-22	Statement on sustainable development strategy		Risk Management; Human Rights & Community			Principle 1, 2, 3, 7, 10	Message from the Chief Executive Officer (page 23 – 24)
	2-23	Policy commitments						Policies and (page 26 – 27)
	2-24	Embedding policy commitments						
	2-25	Processes to remediate negative impacts			-			Respecting Human Rights (page 69 – 70)
	2-26	Mechanisms for seeking advice and raising concerns						
	2-27	Compliance with laws and regulations			IF-EN-160a.1 IF-EN-410a.1			Regulatory Compliance (page 40 – 41)
	2-28	Membership associations			-			Membership in Associations (page 23)
	2-29	Approach to stakeholder engagement						Stakeholder Engagement (page 27 – 29)
	2-30	Collective bargaining agreements		Labour Standards				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Materiality Assessment	-	-	-	-	Materiality Assessment and Key Sustainability Matters (page 29 – 30)
	3-2	List of material topics						
	3-3	Management of material topics	Management Approach					

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	-	-	-	SDG1, 8, 10, 13	-	Economic Presence and Sustainable Profitability (page 33 - 34)
	201-2	Financial implications and other risks and opportunities due to climate change	TCFD Aligned Disclosure					
	201-3	Defined benefit plan obligations and other retirement plans	-					
	201-4	Financial assistance received from government	-					
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	Human Rights & Community	-	SDG5, 8, 10	Principle 6	N/A
	202-2	Proportion of senior management hired from the local community						Diversity and Equal Opportunity (page 65 – 69)
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	-	Human Rights & Community	-	SDG9, 11	-	Indirect Economic Impact (page 34 – 35)
	203-2	Significant indirect economic impacts						
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Supply Chain Management C7(a)	Human Rights & Community	-	SDG8 SDG17	-	Procurement and Supply Chain (page 35 – 36)
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Anti-Corruption C1(a) C1(b) C1(c)	Anti-Corruption	IF-EN-510a.1 IF-EN-510a.2 IF-EN-510a.3	SDG4 SDG16	Principle 10	Anti-Corruption (page 38 – 40)
	205-2	Communication and training about anti-corruption policies and procedures						
	205-3	Confirmed incidents of corruption and actions taken						
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	-	-	SDG8, 10, 16	Principle 10	N/A
GRI 207: Tax 2019	207-1	Approach to tax	-	Tax Transparency	-	SDG10, 16, 17	-	N/A
	207-2	Tax governance, control, and risk management						
	207-3	Stakeholder engagement and management of concerns related to tax						
	207-4	Country-by-country reporting						

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Materials S5(a)	Pollution & Resources	-	SDG12	Principle 7, 8, 9	N/A
	301-2	Recycled input materials used						
	301-3	Reclaimed products and their packaging materials						
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Management C4(a)	Climate Change	IF-EN-410a.2	SDG7, 12, 13	Principle 7, 8, 9	Energy Efficiency (page 51 – 53)
	302-2	Energy consumption outside of the organization						
	302-3	Energy intensity						
	302-4	Reduction of energy consumption						
	302-5	Reductions in energy requirements of products and services						N/A
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water C9(a) Effluents S8(a)	Water Use Pollution & Resources	IF-EN-410a.2	SDG6, 12	Principle 7, 8, 9	Water Management (page 54 – 55)
	303-2	Management of water discharge-related impacts						N/A
	303-3	Water withdrawal						
	303-4	Water discharge						
	303-5	Water consumption						Water Management (page 54 – 55)
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity S1(a) S1(b) S1(c)	Biodiversity	-	SDG14, 15	Principle 7, 8, 9	Biodiversity (page 57)
	304-2	Significant impacts of activities, products and services on biodiversity						
	304-3	Habitats protected or restored						
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations						

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Emissions Management C11(a) C11(b) C11(c)	Climate Change	-	SDG7, 12, 13	Principle 7, 8, 9	Climate Change (page 42 – 51)
	305-2	Energy indirect (Scope 2) GHG emissions						
	305-3	Other indirect (Scope 3) GHG emissions						
	305-4	GHG emissions intensity						
	305-5	Reduction of GHG emissions						
	305-6	Emissions of ozone-depleting substances (ODS)	Emissions - Air Quality/ Pollution S4(a)	Pollution & Resources				N/A
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions						
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste Management C10(a) C10(a)(i) C10(a)(ii)	Pollution & Resources	-	SDG6, 12	Principle 7, 8, 9	Waste Management (page 55 - 56)
	306-2	Management of significant waste-related impacts						
	306-3	Waste generated						
	306-4	Waste diverted from disposal						
	306-5	Waste directed to disposal						
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Supply Chain (Env) S6(a) S6(b)	Supply Chain (Environment)	IF-EN-160a.2	SDG8, 11, 12, 16	Principle 7, 8	Procurement and Supply Chain (page 35 – 36)
	308-2	Negative environmental impacts in the supply chain and actions taken						
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Labour Practices and Standards C6(c)	Labour Standards	-	SDG5, 8	Principle 6	Employee Management (page 62 – 65)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees						
	401-3	Parental leave						
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	-	-	-	SDG8	-	N/A

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Health and Safety C5(a) C5(b) C5(c)	Health & Safety	IF-EN-320a.1	SDG3, 4, 8	-	Occupational Health and Safety (page 58 – 61)
	403-2	Hazard identification, risk assessment, and incident investigation						
	403-3	Occupational health services						
	403-4	Worker participation, consultation, and communication on occupational health and safety						
	403-5	Worker training on occupational health and safety						
	403-6	Promotion of worker health						
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships						
	403-8	Workers covered by an occupational health and safety management system						
	403-9	Work-related injuries						
	403-10	Work-related ill health						
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Labour Practices and Standards C6(a)	Labour Standards	-	SDG4, 5, 8	-	Training and Development (page 71 – 73)
	404-2	Programs for upgrading employee skills and transition assistance programs						
	404-3	Percentage of employees receiving regular performance and career development reviews						

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Diversity C3(a) C3(b)	Labour Standards	-	SDG5, 8, 10	Principle 6	Diversity and Equal Opportunity (page 65 – 69)
	405-2	Ratio of basic salary and remuneration of women to men						
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	-	Labour Standards	-	SDG5, 8, 10, 16	Principle 6	Respecting Human Rights (page 69 - 70)
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 3	
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	-	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 5	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 4	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-	-	-	SDG4, 16	Principle 1, 2	
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	-	Human Rights & Community	-	SDG10, 16	Principle 1, 2	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Community/ Society C2(a) C2(b)	Human Rights & Community	-	SDG11, 16, 17	-	Engagement with External Communities (page 74 – 75)
	413-2	Operations with significant actual and potential negative impacts on local communities						
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Supply Chain (Social) S7(a) S7(b)	Supply Chain (Social)	-	SDG8, 10, 11, 16	Principle 1, 2	Procurement and Supply Chain (page 35 – 37)
	414-2	Negative social impacts in the supply chain and actions taken						

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 415: Public Policy 2016	415-1	Political contributions	-	Anti-Corruption	-	SDG16	Principle 10	Anti-Corruption (page 38 – 40)
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Customer Health & Safety/ Product Responsibility S3(a) S3(b) S3(c)	Customer Responsibility	IF-EN-250a.1 IF-EN-250a.2	SDG3, 16	-	Quality and Customer Satisfaction (page 37)
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services						
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	-	Customer Responsibility	-	SDG16	-	Quality and Customer Satisfaction (page 37)
	417-2	Incidents of non-compliance concerning product and service information and labeling						
	417-3	Incidents of non-compliance concerning marketing communications						
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security C8(a)	Human Rights & Community	-	SDG16	-	Data Privacy and Security (page 41- 42)

Sustainability Statement

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Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	93,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	7
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	45.00
Management Above 50	Percentage	55.00
Executive Under 30	Percentage	11.00
Executive Between 30-50	Percentage	59.00
Executive Above 50	Percentage	30.00
Non-executive Under 30	Percentage	15.00
Non-executive Between 30-50	Percentage	70.00
Non-executive Above 50	Percentage	15.00
Gender Group by Employee Category		
Management Male	Percentage	62.00
Management Female	Percentage	38.00
Executive Male	Percentage	32.00
Executive Female	Percentage	68.00
Non-executive Male	Percentage	70.00
Non-executive Female	Percentage	30.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	85.70
Female	Percentage	14.30
Under 30	Percentage	0.00
Between 30-50	Percentage	14.00
Above 50	Percentage	86.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	5,461.98
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	24
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	276
Executive	Hours	418
Non-executive	Hours	26
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	9.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	3
Executive	Number	5
Non-executive	Number	1
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		

Internal assurance

External assurance

No assurance

(*)Restated

Sustainability Statement

(cont'd)

Indicator	Measurement Unit	2024
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	64.540290
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	387.20
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0.05
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	387.15
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	15.17
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	2,917.13*
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	154.96

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of JAKS Resources Berhad (the "Company" or "JAKS") supports high standards of corporate governance and assumes responsibility in ensuring that principles and practices of the Malaysian Code on Corporate Governance ("the Code") are followed where possible or provide alternatives in meeting them. The Group believes that good governance will help to realise long-term shareholders value, whilst taking into account the interest of other stakeholders.

Set out herewith are the corporate governance principles and recommendations that were applied during the financial year ended 31 December 2024. The Board considers that it has fundamentally applied the principles and practices of the Code and is pleased to report the actions taken by the Company to conform to the Code in the Corporate Governance Report that is available in the Company's website www.jaks.com.my.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

i. Board Responsibilities

The Board of Directors takes full responsibility for the performance of the Group. The Board provides stewardship to the Group's strategic direction and operations which will ultimately maximise shareholders' value. To fulfill this role, the Board provides advice to the Management in monitoring and achieving the Group's goals.

The Board's most important functions are as follows:

- ensuring that the Group's goals are clearly established, and strategies are in place to achieve them;
- establishing policies for strengthening the performance of the Company including ensuring that Management is proactively seeking to build business through innovation, initiative, technology and the development of its business capital;
- monitoring the performance of Management;
- appointing the Chief Executive Officer ("CEO") and setting the terms of his employment contract;
- deciding on steps which are deemed necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Company's financial statements are true and fair and conform with law;
- ensuring that the Company adheres to high standards of ethics and corporate behavior; and
- ensuring that the Company has appropriate risk management or regulatory compliances policies in place.

In discharging its fiduciary duties during the financial year 2024, the Board has delegated specific tasks to six Board Committees namely Audit Committee, Nomination Committee, Remuneration Committee, LTIP Committee, Sustainability Committee and Risk Management Committee. All the Board Committees have its own terms of reference and the authority to act on behalf of the Board within the authorities as lay out in the terms of reference and report to the Board with the necessary recommendation.

The Company has a Board Charter which sets out the Board Governance process and Board-Management relationship. The Board Charter is available on the Company's website at www.jaks.com.my. A review of the Board Charter was conducted on 28 November 2024.

The Board Charter also has a formal schedule of matters reserved for the Board covering the limits of authority for:

- Acquisition & Disposal of Assets
- Investments in Capital Projects
- Treasury Policies
- Risk Management policies

Corporate Governance Overview Statement (cont'd)

ii. Board Composition

The Board of JAKS presently has seven members comprising of the CEO, two Executive Directors and four Independent Non-Executive Directors. The Independent Non-Executive Directors make up more than 50% of the Board to allow for objective independent judgement to be made by the Board.

The Board meetings are presided by the Chairman, who is an Independent Non-Executive Director and whose role is clearly separated from role of the CEO to ensure a balance of power and authority.

The Executive Directors are responsible for implementing the policies and decisions of the Board, overseeing the operations as well as managing the development and implementation of business and corporate strategies. The Independent Non-Executive Directors are independent of Management and free from any business relationship which could materially interfere with their independent judgement. Their presence ensures that issues of strategies, performance and resources proposed by the Management are objectively evaluated and thus provide a capable check and balance for the Executive Directors. None of the Independent Directors of JAKS has served more than 9 years.

The Board has taken note of Practice 5.10 of the Code to have a gender diversity policy and has adopted the Board Gender Diversity Policy in the Board Charter on 30 November 2021 setting out that there is to be at least a woman Director on the Board at all times. In seeking potential candidate(s) for new appointments, the Board takes into account ethnicity and age distribution of the Directors to maintain a balanced Board composition and the Board shall also review the participation of women in senior management to ensure there is a healthy talent pipeline. In undertaking the process of reviewing and selecting potential candidates to fill in the vacancies, the Board shall be mindful of various diversity factors to strengthen the Board composition that meets the objectives and strategic goals of the Group.

Board Meetings

During the financial year ended 31 December 2024, five (5) Board Meetings were held and the respective Directors' attendance record is as shown in the table below:

Director	No. of meetings attended
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar	5/5
Ang Lam Poah	5/5
Ang Lam Aik	5/5
Dato' Razali Merican Bin Naina Merican	5/5
Khor Hun Nee	5/5
Dato' Othman Bin Semail	5/5
Lim Gin Gee	5/5

The Board meets at least five times a year and as and when it is necessary. Due notice of matters to be discussed are provided to the Board. The proceedings, deliberations and conclusions made by the Board were properly recorded in the minutes of meetings kept by the Company Secretary and was confirmed by the Board and signed by the Chairman of the meeting.

Corporate Governance Overview Statement (cont'd)

Supply of Information

The Board is provided with the agenda and board papers prior to Board Meetings with sufficient time to enable the Board to solicit further explanations and/or information, where necessary, to enable them to discharge their duties.

The board papers provided include inter alia, financial results, business plan and budget, status of major projects, minutes of meetings of Board/ Board Committees, circulars from Bursa Malaysia Securities Berhad ("Bursa Securities"), announcements made to Bursa Securities, Directors' resolution in writing that had been passed and other major operational and financial issues for the Board's information and/or approval.

All Directors have access to the advices and services of the Company Secretary and all information in relation to the Group whether as a full Board or in their individual capacity to assist them in discharging their duties. The Board or the individual Director may seek independent advice from independent professional advisers at the Group's expense, if necessary in accordance to the prescribed policy.

Directors' Training

The Group acknowledges that continuous education is vital for the Board members to gain insight into the state of economy, technological advances, regulatory updates and management strategies. The Directors are encouraged to attend continuous education programmes to further enhance their skills and knowledge, where relevant. New directors appointed are required to attend the Mandatory Accreditation Programme pursuant to the Listing Requirements of Bursa Securities and will be briefed by Management on the operations and policies of the Company to familiarise themselves with the Company's business.

During the financial year ended 31 December 2024, the Directors have individually or collectively attended the following courses / seminar set out below:-

Director	Mode of Training	Title of Training	Duration of Training
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar	Physical	Provision of the Companies (Amendment) Act 2024 on Beneficial Ownership Reporting	0.5 day
Ang Lam Poah	Physical	Provision of the Companies (Amendment) Act 2024 on Beneficial Ownership Reporting	0.5 day
Dato' Razali Merican Bin Naina Merican	Physical	Provision of the Companies (Amendment) Act 2024 on Beneficial Ownership Reporting	0.5 day
Ang Lam Aik	Webinar	KPMG Board Leadership Center Exclusive I Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Act 2024	0.5 day
	Webinar	Bursa Malaysia Workshop on IFRS sustainability Standards	0.5 day

Corporate Governance Overview Statement (cont'd)

Director	Mode of Training	Title of Training	Duration of Training
Khor Hun Nee	Webinar	Business Sustainability Management	12 days
	Webinar	Annual Signature Financial Planning Symposium 2024 - Navigating the Financial Landscape	1.0 day
	Physical	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	2 days
	Webinar	IT Security Awareness	1.0 day
	Webinar	Guidelines on Advertisement	1.0 day
	Webinar	EPS-MIS Guidelines	1.0 day
	Webinar	Compliance & Shariah Training	1.0 day
	Webinar	Code of Ethics and Rules of Professional Conduct	1.0 day
	Webinar	Anti-bribery & Corruption	1.0 day
	Webinar	Anti Money Laundering, Anti-Terrorism Financing	1.0 day
	Physical	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	2 days
Dato' Othman Bin Semail	Physical	Provision of the Companies (Amendment) Act 2024 on Beneficial Ownership Reporting	0.5 day
Lim Gin Gee	Webinar	Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024	0.5 days

Appointments and Re-election of Directors

In accordance with the Company's Constitution, all Directors who are appointed by the Board shall hold office only until the next annual general meeting after their appointment and shall then be eligible for re-election. The Articles also provide that at least one-third of the remaining Directors be subject to retirement by rotation at each annual general meeting provided always that all Directors including the CEO shall retire from office at least once every three years but shall be eligible for re-election.

The Board has empowered the Nomination Committee to consider and make their recommendation to the Board for the continuation in service of those Directors who are due for retirement and recommendation of new Directors, if required to enhance the composition of the Board. The Nomination Committee will recommend candidates for all directorships to be filled to the Board. The Nomination Committee also review the composition of the Board to ensure that the Board has the required mix of skills, expertise, attributes and core competencies to discharge their duties efficiently and effectively.

Sustainability

The responsibility of governance of sustainability in the Group is overseen by the Board and the Sustainability Committee comprising an Independent Director (who is also the Chair) and two Executive Directors. The Sustainability Committee is tasked with integrating sustainability considerations in the day-to-day operations of the Group and ensuring the effective implementation of the Group's sustainability strategies and plans. The Group has developed its sustainability strategy across the top management till every operational level from the economic, environmental and social perspectives.

The Group's sustainability strategies, priorities as well as targets and performance against these targets are communicated to the internal and external stakeholders. The Group uses various communication channels with our stakeholders, which include conventional and electronic documents, web-based media platforms and face-to-face communications to identify and address sustainability concerns towards our business operations and sustainability performance.

Corporate Governance Overview Statement (cont'd)

Sustainability (Cont'd)

The Board has sufficient understanding and knowledge of the sustainability issues that are relevant to the Group and its business, to discharge its role effectively. The materiality assessment in FY2024 reflects the changes to our business and the external environment. These sustainability material matters are reviewed with our top key Senior Management taking into consideration the business environment on the Group's operations and risk areas, covering various internal and external exposures, as well as the degree of impact each sustainability matter has on the Group. The sustainability risks and opportunities are also assessed before major decisions are made by the Board. The Board has included the performance evaluation of the Board and Sustainability Committee on the progress against the achievement of sustainability targets during FY2024.

iii. DIRECTORS' REMUNERATION

Level and Make-up

The Company has adopted the objective as recommended by the Code to determine the remuneration of the Directors so as to ensure that the Company attracts and retains the Directors needed to run the Group successfully. The component parts are designed to link rewards to corporate and individual performance in the case of Executive Directors. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the individual Non-Executive Director concerned.

Procedure

The Remuneration Committee recommends for the Board's approval on all elements of remuneration and terms of employment for Executive Directors with the Director concerned abstaining from deliberations and voting on decisions in respect of his remuneration package. The Remuneration Committee met once during the financial year 2024 to review the proposed Directors' fees and the meeting allowance.

The Directors' fees and meeting allowances are determined by the Board as a whole, subject to the approval of shareholders.

Details of Remuneration

Details of the remuneration received by the Directors from the Group and Company for the financial year ended 31 December 2024 are set out below.

The aggregate remuneration paid/payable to all Directors of the Company are further categorised into the following components.

Directors	Group /Company				Total (RM)
	Fees (RM)	Salaries & Bonus (RM)	EPF & SOCSO (RM)	Benefit-in kind/ Allowances (RM)	
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar	117,000	-	-	12,500	129,500
Ang Lam Poah	-	1,905,000	226,217	16,933	2,148,150
Dato' Razali Merican Bin Naina Merican	-	920,000	109,217	49,200	1,078,417
Ang Lam Aik	-	332,500	38,717	27,400	398,617
Khor Hun Nee	96,000	-	-	33,500	129,500
Dato' Othman Bin Semail	96,000	-	-	26,500	122,500
Lim Gin Gee	96,000	-	-	27,000	123,000

Corporate Governance Overview Statement (cont'd)

Details of Remuneration (Cont'd)

Remuneration paid to the top five (5) Senior Management of JAKS Group for the financial year ended 31 December 2024 was RM2,317,500. The remuneration of the top five (5) Senior Management of the JAKS Group is disclosed on an aggregate basis. At this particular juncture, the Board is of the opinion that the disclosure of the Senior Management personnel' names and the remuneration in bands of RM50,000 would not be in the best interest of the Group due to confidentiality and security concerns.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

i. Financial Reporting

In presenting the annual financial statements and quarterly announcements of its results, the Board of Directors has ensured that the financial statements represent a true and fair assessment of the Company and Group's financial position.

ii. Internal Control and Risk Management

The Board acknowledges its responsibility for establishing a sound system of internal control to safeguard shareholders' investment and Group's assets and to provide assurance on the reliability of the financial statements.

While the internal control system is devised to cater for particular needs of the Group, such controls by their nature can only provide reasonable assurance but not absolute assurance against material misstatement or loss. A Statement on Risk Management and Internal Control is set out on pages 101 to 103.

iii. Relationship with Auditors

The Company maintains a transparent relationship with the auditors in seeking their professional advice and towards ensuring compliance with the accounting standards.

iv. Directors' Responsibility Statement

The Board is responsible to ensure that the financial statements are properly drawn up in accordance with the provisions of the Companies Act 2016 and approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group as at the end of the financial year and of the results and cash flows of the Group for the financial year then ended.

The Directors are satisfied that in preparing the financial statements of the Group for the year ended 31 December 2024, the Group has adopted suitable accounting policies and applied them consistently, prudently and reasonably. The Directors also consider that all applicable approved accounting standards have been followed in the preparation of financial statements. The financial statements have been prepared on the going concern basis.

The Directors are responsible for ensuring that the Group keeps sufficient accounting records to disclose the financial position of the Group with reasonable accuracy and ensure that the financial statements are comply with the Companies Act 2016.

Corporate Governance Overview Statement (cont'd)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

The Board believes that it is important to maintain open and constructive relationship with all of our stakeholders – large and small, institutional and private. The Chairman, supported by the Management, has overall responsibility for ensuring that the Group listens to and effectively communicates with our stakeholders.

The Investor Relations function headed by the CEO, facilitates communication between the Group and the investment community, with the Management's support. Pertinent matters that may concern stakeholders include strategic developments, financial results and material business matters affecting the Group.

The Investor Relations function holds regular meetings, conference calls and site visits with investors, intended to keep the investment community abreast of the Group's operations, strategic developments and financial performance.

Every quarter, the Investor Relations function provides the investment community with an up-to-date view of the Group's financial performance and operations via analyst briefing sessions which coincides with the release of the Group's quarterly financial results on Bursa Malaysia Securities Berhad.

The Group maintains a comprehensive website which includes an up-to-date investor centre to communicate with stakeholders. Regular news, announcements, share price updates, investor presentations, events and other relevant information are posted on the website. Shareholders are also welcomed to raise queries by contacting the Group at any time throughout the year. The contact information is available at the Contact Us section of the Group's website at <http://www.jaks.com.my>.

The Annual General Meeting (AGM) provides a platform for the Chairman and CEO to share how the Group has performed during the year.

It provides all shareholders with the opportunity to put forward questions to the Chairman of the Board, and other Committees as well as the CEO.

At these meetings, e-polling is conducted on each resolution and following the AGM, results of the polls are published on the Group's website and released to Bursa Securities.

v. ADDITIONAL COMPLIANCE INFORMATION

a. Audit and Non-audit Fees

The amount of audit and non-audit fees payable to external auditors for services rendered for the financial year 2024 is as follows:

	Audit fees (RM)	Non- Audit fees (RM)
Company level	120,000	5,000
Group level	386,550	12,000

b. Material Contract

There was no material contract entered into by the Company and/or its subsidiary companies which involves Directors' and Major Shareholders' interest during the financial year ended 31 December 2024.

Corporate Governance Overview Statement (cont'd)

c. Employee Share Scheme

The Company has in 2016 implemented a Long Term Incentive Plan (LTIP) comprising the Employee Share Option Scheme (ESOS) and Share Grant Plan (SGP).

- (i) Movement in the share options and shares granted during the year

There is no share options issued during the financial year 2024. As at 31 December 2024, there were 141,473,619 share options still outstanding.

- (ii) There were no share options granted to Directors during the financial year 2024

Name	No. of share options granted in 2024	Amount of options exercised	Balance of share options outstanding
Ang Lam Poah	-	-	32,000,000
Dato' Razali Merican Bin Naina Merican	-	-	18,000,000
Ang Lam Aik	-	-	14,414,587

- (iii) There were no share grants issued to Directors during the financial year 2024.

- (iv) The maximum number of JRB Shares allocated to Directors and Senior Management who, either singly or collectively through persons connected with them, holds twenty per centum (20%) or more in the issued and paid-up share capital (excluding treasury shares) of the Company, shall not exceed ten per centum (10%) of the total number of JRB Shares to be allocated under the LTIP. The actual percentage granted to them during the financial year 2024 was 0% and since the commencement of the LTIP was 6.68%.

d. Utilisation of Proceeds

The Company undertook a private placement exercise. On 15 May 2024, the first tranche of 180,700,000 Ordinary Shares were issued raising proceeds of approximately RM21.7 million. On 24 June 2024, the second tranche of 56,285,000 Ordinary Shares were issued raising proceeds of approximately RM8.2 million.

The status of utilisation of proceeds as at 31 December 2024 is as follows.

Proposed utilisation of proceeds	Proceed raised RM'000	Utilised as at 31.12.2024 RM'000	Timeframe for utilisation
(i) Repayment of credit facilities	21,373	21,373	Within 12 months
(ii) Working capital requirements	7,272	7,272	Within 12 months
(iii) Estimated expenses for the Private Placement	1,200	1,200	Within 3 months
	29,845	29,845	

AUDIT COMMITTEE REPORT

a. Members

The Audit Committee consists exclusively of Independent Non-Executive Directors of the following members:

Chairman **Khor Hun Nee**

Members **Dato' Othman Bin Semail**

Lim Gin Gee

b. Functions and Responsibilities

The key functions and responsibilities of the Audit Committee are:

- To consider the appointment of the External Auditor, the audit fee and any questions of resignation or dismissal;
- To discuss with the External Auditor before the audit commences, the nature and scope of the audit, and ensure coordination where more than one audit firm is involved;
- To review and recommend for Board's approval of the provision of non-audit service by the External Auditor and to ensure that there are proper checks and balances in place so that the provision of non-audit services does not interfere with the exercise of independent judgement of the External Auditors;
- To review the quarterly and year-end financial statements of the Company, focusing particularly on:
 - Any changes in accounting policies and practices;
 - Significant adjustments arising from the audit;
 - The going concern assumption;
 - Compliance with accounting standards and other legal requirements.
- To discuss problems and reservations arising from the interim and final audits, and any matter the External Auditor may wish to discuss (in the absence of management where necessary);
- To review the External Auditors' management letter and management's response;
- To review any related party transactions and conflict of interest situation that arose, persist or may arise within the Company or the Group including any transaction, procedures or source of conduct that raises questions of conflict and the measures taken to resolve, eliminate or mitigate such conflict;
- To consider the major findings of internal investigations and Management's response;
- To do the following in relation to the internal audit function:
 - Review the adequacy of the scope, functions, competency and resources of the internal audit function and the necessary authority to carry out its work;
 - Review the internal audit programme and results of the internal audit programme and the results of the internal audit process and where necessary ensure that appropriate actions taken on the recommendations of the internal audit function;
 - Review any appraisal or assessment of the performance of members of the outsourced Internal Audit services provider;
 - Approve any appointment or termination of senior staff members of the outsourced Internal Audit services provider; and
 - To consider other topics as defined by the Board.

Audit Committee Report (cont'd)

c. Summary of Activities of Audit Committee for the financial year ended 31 December 2024

The Audit Committee held five meetings during the financial year ended 31 December 2024.

The attendance record for the financial year ended 31 December 2024 of each member of the Audit Committee is shown in the table below:

Audit Committee Members	Meeting Attendance	
	No of meetings attended	Percentage of attendance %
Khor Hun Nee	5/5	100
Dato' Othman Bin Semail	5/5	100
Lin Gin Gee	5/5	100

The minutes of each Audit Committee Meeting were distributed to the Board members at the subsequent Board Meeting. The Audit Committee Chairman will inform the Directors at Board Meetings, matters and recommendations which the Audit Committee's view ought to be highlighted to the Board.

For the financial year ended 31 December 2024, the Audit Committee:

- i. Reviewed the quarterly results and Audited Financial Statements;
- ii. Reviewed the internal audit strategy document for year 2024 and 2025;
- iii. Reviewed the internal audit reports tabled by outsourced Internal Auditors;
- iv. Reviewed the internal audit follow-up reports issued by the outsourced Internal Auditors;
- v. Reviewed the Audit Review Memorandum and discussed with External Auditors on their findings;
- vi. Reviewed the Statement on Risk Management & Internal Control and Audit Committee Report prior to the Board's approval for inclusion in the Annual Report;
- vii. Reviewed the Audit Planning Memorandum for the financial year ended 31 December 2024;
- viii. Reviewed the performance of outsourced Internal Auditors;
- ix. Reviewed the performance of External Auditors;
- x. Recommended the External Auditors' fees and re-appointment of External Auditors; and
- xi. Update on Whistleblowing Notification.

The Audit Committee held discussions with the External Auditors once during the year without the presence of the Executive Directors and Senior Management.

d. Internal Audit Function

The Group's internal audit function, which reports directly to the Audit Committee, is outsourced to an independent professional firm namely Tricor Axcelasia Sdn Bhd ("Outsourced Internal Auditor").

The Outsourced Internal Auditor serves to assist the Audit Committee by independently evaluating and improving the effectiveness of the system of internal control. The internal audit was conducted using a risk-based approach and was guided by the International Professional Practices Framework ("IPPF") which was issued by the Global Institute of the Internal Auditors.

Besides assessing the internal control systems, organisational governances and risk management capability were also assessed and embedded into the respective audit focus areas. The internal audit assessment has included relevant root-cause analysis results, where applicable has been incorporated in the respective internal audit findings.

The Engagement Executive Director of the Outsourced Internal Auditor, Pn Noor Lilah Wati Abdul Majid has diverse professional experience in internal audit, risk management and corporate governance advisory. She is an Associate Member of the Institute of Internal Auditors Malaysia and an Affiliate Member of the Business Continuity Institute.

The number of staff deployed for the internal audit reviews is 3 to 5 staff per visit including the Engagement Executive Director. The staff involved in the internal audit reviews possess professional qualifications and/or a university degree and are members of the Institute of Internal Auditors Malaysia. The internal audit staffs on the engagement are free from any relationships or conflict of interest, which could impair their objectivity and independence.

Audit Committee Report (cont'd)

d. Internal Audit Function (Cont'd)

During the financial year under review, the activities carried out by the internal audit function are as follows:

- (a) Carried out internal audits in accordance with the approved risk based internal audit plan by the Audit Committee.
- (b) Presented the Internal Audit Reports to the Audit Committee highlighting audit findings, recommendations to improve and management responses.
- (c) Performed follow up review on these findings and updated the status to the Audit Committee.

During the financial year, the entities and business processes reviewed were as follows:

Entity	Business Processes
Fortress Pavilion Sdn Bhd JAKS Resources Bhd	Property Development and Safety & Security Management Legal Governance and Liquidity Management

Findings from the internal audit reviews conducted were discussed with Senior Management and subsequently presented, together with Management's responses and proposed action plans, to the Audit Committee for their review and notation. The outsourced internal audit function also carries out follow up reviews and reports to the Audit Committee at their scheduled meeting on the status of implementation of action plans by Management pursuant to the recommendations highlighted in the internal audit reports.

The total cost incurred for the outsourcing of the internal audit function for the financial year 31 December 2024 was RM60,000.

NOMINATION COMMITTEE REPORT

a. Members

The Nomination Committee comprises exclusively of Independent Non-Executive Directors. The Chief Executive Officer (CEO) attends the meeting on the invitation of the Committee.

Chairman **Dato' Othman Bin Semail**

Members **Khor Hun Nee**

Lim Gin Gee

b. Functions and Responsibilities

The key functions and responsibilities of the Nomination Committee are:

- To review regularly the Board structure, size and composition diversity in gender and make recommendations to the Board with regard to any adjustments that are deemed necessary.
- To review the character, experience, integrity, commitment, competency, qualification, conflict of interest and track record of the proposed new nominees for appointment to the Board of Directors. In the case of nominees for the position of Independent Non-Executive Directors, to evaluate the nominee's ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.
- To evaluate the fitness and propriety of each Directors.
- To assess Directors on an on-going basis, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director.
- To recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board. In making its recommendations, the Committee should consider the candidates'
 - skills, knowledge, expertise and experience;
 - professionalism;
 - integrity; and
 - in the case of candidates for the position of independent non-executive directors, the Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.
- To consider, in making its recommendations, candidates for directorships proposed by the CEO and, within the bounds of practicability, by any other senior executive or any director or shareholder.
- To recommend to the Board, Directors to fill the seats on Board Committees.
- To review annually the Board's mix of skills and experience and other qualities including core competencies which non-executive Directors should bring to the Board. This should be disclosed in the Annual Report.
- To recommend to the Board for continuation (or not) in service of executive Director(s) and Directors who are due for retirement by rotation.
- On invitation of Chairman or the Board, recommend to the Board for continuation (or not) in service of executive Directors(s) and Directors who are due for retirement by rotation.
- To orient and educate new Directors as the nature of the business, current issues within the Company and the corporate strategy, the expectations of the Company concerning input from the Directors and the general responsibilities of Directors.

Nomination Committee Report (cont'd)

c. Summary of Activities of Nomination Committee for the financial year ended 31 December 2024

The Nomination Committee met once during the financial year ended 31 December 2024. For the financial year ended 31 December 2024, the following activities were carried out by the Nomination Committee:

- i. Assessed the fitness and probity of Directors;
- ii. Reviewed the size and composition of the Board and Board Committees;
- iii. Reviewed the mix of skill and experience and other qualities of the Board;
- iv. Assessed the effectiveness of the Board as a whole, the Board Committees and the Directors;
- v. Discussed and recommended the re-election of retiring Directors;
- vi. Reviewed the term of office and performance of the Board Committee and each of its members and concluded that the Board Committee members have carried out their duties in accordance with their terms of reference; and
- vii. Assessed and confirmed the independence of the Independent Directors.

The Nomination Committee upon its annual assessment carried out for financial year 2024, was satisfied that:

- All Directors meet the fit and proper criteria;
- The size and composition of the Company Board is optimum with appropriate mix of knowledge skills, attribute and core competencies;
- The Board has been able to discharge its duties professionally and effectively;
- All the Directors continues to uphold the highest governance standards in discharging their duties and responsibilities;
- All the members of the Board are well qualified to hold their positions as Directors of the Company in view of their respective working experience, academic and professional qualifications, depth of knowledge, skills and experience and their personal qualities;
- The Independent Directors, namely Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar, Ms Khor Hun Nee, Dato' Othman Bin Semail and Mr Lim Gin Gee are demonstrably independent;
- The Directors are able to devote sufficient time commitment to their roles and responsibilities as evidenced by their attendance records; and
- The Directors have received training during the financial year ended 31 December 2024 that is relevant and would serve to enhance their effectiveness in the Board.

REMUNERATION COMMITTEE REPORT

a. Member

The Remuneration Committee comprises exclusively of Independent Non-Executive Directors. The Chief Executive Officer (CEO) attends the meeting on the invitation of the Committee.

Chairman **Lim Gin Gee**

Members **Dato' Othman Bin Semail**

Khor Hun Nee

b. Function and Responsibilities

The Remuneration Committee shall ensure that the levels of remuneration are sufficient to attract and retain Directors of the quality required to manage the business of the Group. The Remuneration Committee is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of the Executive Directors, by linking their rewards to corporate and individual performance with the Director concerned abstaining from deliberations and voting on decisions in respect of his remuneration package. In the case of Non-Executive Directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned and is determined by the Board as a whole.

c. Summary of Activities of Remuneration Committee for the financial year ended 31 December 2024

The Remuneration Committee meeting was held once during the financial year ended 31 December 2024.

The attendance record for the financial year ended 31 December 2024 of each member of the Remuneration Committee is shown in the table below:

Remuneration Committee Members	Meeting Attendance	
	No of meetings attended	Percentage of attendance
Lim Gin Gee	1/1	100
Dato' Othman Bin Semail	1/1	100
Khor Hun Nee	1/1	100

The Remuneration Committee carried out the following activities for the financial year ended 31 December 2024:

- i. Reviewed directors' fees; and
- ii. Reviewed meeting allowance per meeting for attendance of each director.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The Board of Directors of JAKS Resources Berhad ("JAKS") is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 December 2024 which has been prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines"). This statement outlines the nature and state of the risk management and internal control of the Group during the financial year.

Board Responsibility

The Board acknowledges its responsibility for maintaining a sound and effective systems of risk management and internal controls and for reviewing the adequacy and integrity of the said systems to ensure shareholders' interests and the Group's assets are safeguarded. These responsibilities have been delegated to the Audit Committee, which is empowered by its terms of reference to seek the assurance on the adequacy and effectiveness of the Group's internal controls system through independent reviews conducted by the internal audit function and the annual statutory audits conducted by the external auditors. The Audit Committee reports significant controls matters to the Board at their scheduled meetings.

However, as there are inherent limitations in any system of risk management and internal control, such system can only manage rather than eliminate all possible risks that may impede the achievement of the Group's business objectives or goals. Therefore, the system can only provide reasonable and not absolute assurance against material misstatements or losses.

Risk Management Framework

In pursue of the Group's continuous commitment in optimising shareholders' value, risk management activities carried out across the Group are guided by the enhanced Enterprise Risk Management ("ERM") Framework. The design of the ERM Framework is guided by ISO 31000, which outlines the risk governance and structure, risk management policies, risk management process and integration of risk management into significant activities and functions. Periodic review is performed on the ERM Framework and the relevant updates are made where necessary.

The risk assessment process provides an integrated and structured approach in identifying, evaluating and managing significant risks that may affect the achievement of the Group's business objectives. It promotes risk ownership and continuous monitoring of significant risks identified by way of assigning accountabilities to the respective Heads of Department and key management staffs. Significant risks identified are maintained in a formal database of risks and controls information i.e., risk registers, which captures the possible root causes, existing key controls and impact. The risks are then assessed on the likelihood of occurrence and criticality of impact with the rating of either low, medium, high or extreme.

A Risk Management Committee ("RMC") which consists of Senior Management and selected Heads of Department have the responsibilities to monitor the risk policy implementation, provide risk education to all staff, ensure accountability of risks identified are assigned and facilitate the risk reporting to the Board.

The above-mentioned risk management practices of the Group serve as the on-going process used to identify, evaluate and managed significant risks of the Group for the year under review and up to the date of approval of this Statement. The Board shall continue to evaluate the Group's risk management process to ensure it remains relevant to the Group's requirements.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

Internal Audit Function

The Group's Internal Audit Function assists the Board and Audit Committee by providing an independent assessment of the adequacy and effectiveness of the Group's internal control system. Further details of the Internal Audit Function are set out in the Audit Committee Report on pages 95 to 97 of this Annual Report.

Others Key Elements of Internal Control

The other key elements of the Group's internal control systems are described below:

- An organisational structure with clearly defined lines responsibility, accountability, and proper segregation of duties.
- Written operational policies and procedures that are established and regularly reviewed and updated to ensure that it maintains its effectiveness and continues to support the Group's business activities as the Group's grows.
- Human resource policies encompassing areas of recruitment, training and development, health and safety, staff performance, appraisal and succession planning with the objective to enhance staff integrity and the development of professionalism and competency of employees in the Group.
- Quality management in the form of policies and objectives as outlined in the Quality Manual issued by the Chief Executive Officer. The Management Review Team periodically reviews this quality management process that is implemented throughout the financial year.
- Monitoring of results by the senior management team on a monthly basis where appropriate management action will be undertaken to address deviations. The Chief Executive Officer also reviews the management accounts covering financial performance, key business indicators on a quarterly basis and the cash flow position on a regular basis.
- Executive Directors are actively involved in the running of the business and operations of the Group and they report to the Board on significant changes in the business and external environment, which affect the operations of the Group.
- The Group's risk management process, internal audit process and internal control system do not apply to jointly controlled operations and joint ventures where the Group does not have full management control. The Group's interest in these jointly controlled operations are closely monitored through periodic receipt of the operations management accounts and representation in the jointly controlled operations' Board.
- A set of Code of Ethics and Code of Conduct setting out expected ethical standards and code of conduct has been established, which is binding on all employees in the Group, and is available in our official website.
- The Group adopted Anti-Bribery & Anti-Corruption Policy & Guidelines and the Board has reviewed and approved the Policy on acts of anti-bribery and anti-corruption policy & guidelines, which provides the specific procedures or instructions regarding the appropriate actions needed to prohibit bribery and corruption in the business conduct within the Group.
- A whistleblowing policy & guidelines have been established to provide an avenue for whistle-blowers to communicate their concerns on matters of integrity in a confidential manner.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

Review of the Statement by External Auditors

As required by Paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control to the scope set out in the Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants for inclusion in the Annual Report for the Group for the year ended 31 December 2024, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; or
- (b) is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and Management thereon. The Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

Conclusion

At a meeting held on 23 April 2025, the Board obtained assurance from the Chief Executive Officer and Chief Financial Officer that the Group's risk management and internal controls systems are operating adequately and effectively in all material respects.

The Board is of the view that the risk management and internal control system is satisfactory and have not resulted in any material losses or contingencies that would require disclosure in the Group's annual report. The Board shall continue to take the pertinent measures to improve the Group's risk management and internal control in meeting the Group's corporate objectives.

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board of Directors dated 23 April 2025.

PROPERTIES OF THE GROUP

As at 31 December 2024

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
PT No. 35295 No. Lot 92075 Mukim Damansara, Petaling Selangor	Leasehold Property (Duration - 99 years) (Expiry Date: 4/9/2097)	Land area: 182,952 sq. feet	10 Years	Investment Properties with Shopping Mall and Car Parks	316,355	23/8/2013
PN 97384, Lot 141, Seksyen 13, Bandar Petaling Jaya, Daerah Petaling, Selangor	Leasehold Land (Duration -99 years) (Expire Date : 21/5/2112)	Land area: 24,569 sq. metres	6 Years	Investment Properties Business Hub	229,773	9/8/2017
B-09-28, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land (Duration - 99 years) (Expiry Date: 21/5/2112)	Build-up area Land area: 32,545 sq. feet	6 Years	Investment Properties Level 9 Tower B	16,110	18/12/2019
P-B1-3, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land (Duration - 99 years) (Expiry Date: 21/5/2112)	Build-up area 151,141 sq. feet	6 Years	Investment Properties Car Park	48,061	14/10/2019
B-06-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	6 Years	Vacant	403	18/12/2019
C-23-06 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	6 Years	Vacant	647	18/12/2019
L5-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	1,654 sq. feet	6 Years	Vacant	915	18/12/2019
L5-02 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	1,959 sq. feet	6 Years	Vacant	1,084	18/12/2019

Properties Of The Group

As at 31 December 2024

(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
L5-03 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	3,140 sq. feet	6 Years	Vacant	1,539	18/12/2019
L5-03A Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Podium office	1,718 sq. feet	6 Years	Vacant	954	18/12/2019
B-03A-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	6 Years	Vacant	420	18/12/2019
B-07-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	6 Years	Vacant	420	18/12/2019
B-08-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	6 Years	Vacant	420	18/12/2019
B-08-22 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	565 sq. feet	6 Years	Vacant	400	18/12/2019
B-10-22 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	6 Years	Vacant	420	18/12/2019
B-12-21 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	521 sq. feet	6 Years	Vacant	380	18/12/2019

Properties Of The Group

As at 31 December 2024

(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
B-13A-22 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	6 Years	Vacant	430	18/12/2019
B-15-21 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	521 sq. feet	6 Years	Vacant	370	18/12/2019
B-16-02 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	521 sq. feet	6 Years	Vacant	370	18/12/2019
B-16-13A Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	374 sq. feet	6 Years	Vacant	280	18/12/2019
B-16-16 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	341 sq. feet	6 Years	Vacant	260	18/12/2019
B-16-22 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Signature office	600 sq. feet	6 Years	Vacant	430	18/12/2019
C-10-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	1,242 sq. feet	6 Years	Vacant	878	18/12/2019
C-16-02 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	6 Years	Vacant	697	18/12/2019

Properties Of The Group

As at 31 December 2024

(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
C-23-03A Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	6 Years	Vacant	697	18/12/2019
C-28-03A Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	6 Years	Vacant	697	18/12/2019
C-23-02 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	988 sq. feet	6 Years	Vacant	697	18/12/2019
D-15-10 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	622 sq. feet	6 Years	Vacant	453	18/12/2019
E-17-01 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	622 sq. feet	6 Years	Vacant	453	18/12/2019
E-17-05 Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	802 sq. feet	6 Years	Vacant	538	18/12/2019
E-22-03, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	Build-up area Land area: 617 sq. feet	5 Years	Vacant	469	14/12/2021
E-22-03A, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	Build-up area Land area: 622 sq. feet	5 Years	Vacant	469	14/12/2021

Properties Of The Group

As at 31 December 2024

(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
E-22-11, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	Build-up area Land area: 802 sq. feet	5 Years	Vacant	601	14/12/2021
E-27-01, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	Build-up area Land area: 622 sq. feet	5 Years	Vacant	469	14/12/2021
E-28-01, Lot 141 Seksyen 13 Bandar Petaling Jaya Daerah Petaling, Selangor	Leasehold Land Apartment	Build-up area Land area: 622 sq. feet	5 Years	Vacant	469	14/12/2021
09-01 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Land Signature Suite	1,181 sq. feet	6 Years	Vacant	711	31/12/2019
09-02 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Land Signature Suite	1,181 sq. feet	6 Years	Vacant	711	31/12/2019
18-06 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Land Signature Suite	1,227 sq. feet	6 Years	Vacant	735	31/12/2019
18-25 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Land Signature Suite	1,012 sq. feet	6 Years	Vacant	612	31/12/2019
PN115285 Pacific 63@PJ Centre Jalan 13/6, Seksyen 13 Daerah Petaling, Selangor	Leasehold Property (Duration - 99 years) (Expiry Date: 15/4/2113)	18,524 sq. feet	6 Years	Investment Properties Car Park	13,523	31/12/2019

Properties Of The Group

As at 31 December 2024

(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
No. 924/1F, Storey No.1st Floor, Building No. Block: Front Unit Type 3, Taman Desa Cheras, Kuala Lumpur	Freehold Property 1st Floor of 3 Storey Shophouse	Building area : 64.82 sq. metres (697.72 sq. feet)	22 Years	Vacant	37	23/12/2003
PN 30824, Lot. No. 18503, Mukim of Rawang, District of Gombak, State of Selangor	Leasehold Land (Duration - 99 Years) (Expiry date 11/7/2060)	Land area: 1,496 sq. feet Built up area: 1,280 sq. feet	13 Years	Vacant	164	27/3/2012
H S (D) 224763, Lot No. PTD 42125, Mukim Senai, Kulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold Single-storey Terrace House	Land area: 133.96 sq. metres (1,442 sq. feet)	22 Years	Vacant	84	5/11/2003
H S (D) 224752, Lot No. PTD 42114, Mukim Senai, Kulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold Single-storey Terrace House	Land area: 133.96 sq. metres (1,442 sq. feet)	22 Years	Vacant	87	5/11/2003
B-17-09 Villa Kejora Type A Rilau Penang	Freehold Apartment	700 sq. feet	26 Years	Apartment for investment	62	12/3/1999
GRN 33069 Lot no. 565, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 58.2029 acres	5 Years	Vacant	5,058	13/8/2019
GM 610 Lot no. 1212, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.5600 acres	5 Years	Vacant	46	13/28/019
GM 302 Lot no. 1213, Sungai Kechil, Nibong Tebal, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.5844 acres	5 Years	Vacant	48	13/8/2019

Properties Of The Group

As at 31 December 2024

(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
GM 611 Lot no. 1214, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.9869 acres	5 Years	Vacant	81	13/8/2019
GM 612 Lot no. 1215, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 6.0875 acres	5 Years	Vacant	515	13/8/2019
GM 613 Lot no. 1216, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 2.7125 acres	5 Years	Vacant	226	13/8/2019
GM 614 Lot no. 1217, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 2.1750 acres	5 Years	Vacant	181	13/8/2019
GM 615 Lot no. 1220, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 5.8062 acres	5 Years	Vacant	491	13/8/2019
GM 616 Lot no. 1221, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 1.1781 acres	5 Years	Vacant	97	13/8/2019
GRN 32742 Lot no. 1264, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 15.8620 acres	5 Years	Vacant	1,368	13/8/2019

Properties Of The Group

As at 31 December 2024

(cont'd)

Location /Address	Tenure	Area	Age of Building Approximate Years	Existing Use	Net Book Value RM'000	Date Of Company Acquisition / Revaluation
GM 656 Lot no. 1287, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 5.0187 acres	5 Years	Vacant	408	13/8/2019
GM 872 Lot no. 1300, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 3.2810 acres	5 Years	Vacant	274	13/8/2019
GM 662 Lot no. 1301, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 6.4250 acres	5 Years	Vacant	545	13/8/2019
GM 665 Lot no. 1304, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 1.5194 acres	5 Years	Vacant	126	13/8/2019
GRN 51899 Lot no. 1305, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 20.4370 acres	5 Years	Vacant	1,768	13/8/2019
GRN 32749 Lot no. 1306, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 30.9999 acres	5 Years	Vacant	2,690	13/8/2019
GM 1736 Lot no. 6386, Mukim 07, Seberang Perai Selatan, Pulau Pinang	Freehold Land	Land area: 0.6415 acres	5 Years	Vacant	53	13/8/2019

ANALYSIS OF SHAREHOLDINGS

As at 28 March 2025

Total number of issued shares

and class of shares

: 2,626,269,669 Ordinary Shares

Voting Right

: One vote per Ordinary Share held

Analysis of Shareholdings

Size of Holdings	No. of Shareholders	(%)	No. of Shares	(%)
1 – 99	1,619	5.58	41,123	0.00
100 – 1,000	6,127	21.12	2,018,645	0.08
1,001 – 10,000	7,636	26.32	45,792,017	1.74
10,001 – 100,000	10,309	35.54	408,971,858	15.57
100,001 – 131,313,482 (*)	3,315	11.43	1,984,055,056	75.55
131,313,483 and above (**)	1	0.00	185,390,970	7.06
	29,007	100.00	2,626,269,669	100.00

NOTES: * Less than 5% of the issued shares

** 5% and above of the issued shares

30 LARGEST SHAREHOLDERS AS AT 28 MARCH 2025

Names	No. of Shares	(%)
1. Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lam Poah	185,390,970	7.06
2. M & A Nominee (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lam Poah	73,545,479	2.80
3. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lam Poah	31,252,000	1.19
4. Loo Leong Fatt	29,292,640	1.12
5. Tee Tiam Lee	26,532,400	1.01
6. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Ang Lam Poah	25,989,600	0.99
7. Liew Moi Fah	23,000,000	0.88
8. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ooi Chin Hock	20,917,900	0.80
9. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Tan Eng Piow	19,295,000	0.73
10. Ramli Bin Din	15,000,000	0.57
11. Lee Tong Seng	13,758,200	0.52
12. Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Mohamad Zaidee Bin Abang Hipni	13,000,000	0.49

Analysis Of Shareholdings

As at 28 March 2025

(cont'd)

30 LARGEST SHAREHOLDERS AS AT 28 MARCH 2025

	Names	No. of Shares	(%)
13.	Chor Chee Heung	12,540,000	0.48
14.	Pm Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lip Chee	12,439,420	0.47
15.	Phillip Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lam Poah	12,396,800	0.47
16.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank (M) Berhad For Razali Merican Bin Naina Merican	12,199,200	0.46
17.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lam Poah	11,697,920	0.45
18.	Rhb Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ng Hin Seong	11,551,500	0.44
19.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Mat Nasir Bin Mohamed	10,600,000	0.40
20.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Ken Seng	10,500,000	0.40
21.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teh Poo Seng	10,500,000	0.40
22.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account For Khor Kim Hock	9,730,200	0.37
23.	Tan Eng @ Tan Chin Huat	9,509,600	0.36
24.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Lim Teck Huat	9,500,000	0.36
25.	Yeo Koon Lian	9,220,000	0.35
26.	Teh Hock Aun	8,888,000	0.34
27.	Michael Hooi Jee-Onn	8,000,000	0.30
28.	Salcon Berhad	8,000,000	0.30
29.	Teh Poh Guan	8,000,000	0.30
30.	Chow Chzee Wee	7,800,000	0.30

Analysis Of Shareholdings

As at 28 March 2025

(cont'd)

DIRECTORS' SHAREHOLDING AS AT 28 MARCH 2025

Names of Directors	No. of Shares	Ordinary Shares	
		Direct Interest (%)	Indirect Interest (%)
Ang Lam Poah	347,739,969	13.24	-
Dato' Razali Merican Bin Naina Merican	12,199,200	0.47	-
Ang Lam Aik	-	-	-
Tan Sri Dato' Haji Abd Karim Bin Shaikh Munisar	-	-	-
Khor Hun Nee	-	-	-
Dato' Othman Bin Semail	-	-	-
Lim Gin Gee	-	-	10,000

Names of Director	Long Term Incentive Plan ("LTIP Option")	
	No. of LTIP Option	(%)
Ang Lam Poah	32,000,000	22.15
Dato' Razali Merican Bin Naina Merican	18,000,000	12.46
Ang Lam Aik	14,414,587	9.98
Tan Sri Dato' Haji Abd Karim Bin Shaikh Munisar	-	-
Khor Hun Nee	-	-
Dato' Othman Bin Semail	-	-
Lim Gin Gee	-	-

Shares in related corporation

By virtue of Mr Ang Lam Poah and Dato' Razali Merican Bin Naina Merican's interest in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, they are deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in shares of the Company and its related corporations during the financial year.

SUBSTANTIAL SHAREHOLDERS AS AT 28 MARCH 2025

Substantial Shareholders	No. of Shares	Direct Interest		No. of Shares	Indirect Interest (%)
		(%)			
1. Ang Lam Poah	347,739,969	13.24	-	-	-

ANALYSIS OF WARRANT C HOLDINGS

As at 28 March 2025

Total number of issued securities : 525,564,900 Warrants C
 Voting Right : No voting rights
 Exercise Price : RM0.49
 Maturity Date : 18 November 2025

Analysis of Warrant C Holdings

Size of Holdings	No. of Warrant C Holders	(%)	No. of Warrant C	(%)
1 – 99	299	8.22	14,882	0.00
100 – 1,000	389	10.69	172,614	0.03
1,001 – 10,000	1,097	30.15	5,868,113	1.12
10,001 – 100,000	1,274	35.01	49,947,208	9.50
100,001 – 26,278,244 (*)	579	15.91	406,928,436	77.43
26,278,245 and above (**)	1	0.03	62,633,647	11.92
	3,639	100.00	525,564,900	100.00

NOTES: * Less than 5% of the issued warrants
 ** 5% and above of the issued warrants

30 LARGEST WARRANT C HOLDERS AS AT 28 MARCH 2025

Names	No. of Warrant C	(%)
1. Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lam Poah	62,633,647	11.92
2. Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Eng Piow	14,915,850	2.84
3. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ooi Chin Hock	9,334,100	1.78
4. Er Soon Puay	7,822,100	1.49
5. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lam Poah	7,400,000	1.41
6. Liew Moi Fah	7,000,050	1.33
7. Hazim Bin Abdul Halim	6,375,000	1.21
8. Ong Jian Chyang	5,949,300	1.13
9. Ang Ken Seng	5,408,000	1.03
10. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hon Chee Kwan	5,000,000	0.95
11. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Ang Lam Poah	4,920,000	0.94
12. Leng Thean Paul	4,500,700	0.86

Analysis Of Warrant C Holdings

As at 28 March 2025

(cont'd)

30 LARGEST WARRANT C HOLDERS AS AT 28 MARCH 2025 (cont'd)

	Names	No. of Warrant C	(%)
13.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Beh Yong Hock	4,479,800	0.85
14.	Tee Kim Lee	4,459,000	0.85
15.	Chor Chee Heung	4,320,000	0.82
16.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lee Swee War	4,123,300	0.78
17.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Tan Tien Sang	4,060,400	0.77
18.	Wong Chee Wai	4,000,000	0.76
19.	Teh Poo Seng	3,887,700	0.74
20.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Bernard Tan Ghim Huat	3,750,050	0.71
21.	Abdul Manaf Bin Abdul Kader	3,700,000	0.70
22.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teh Poo Seng	3,630,000	0.69
23.	Regal Establishment Sdn. Bhd.	3,500,000	0.67
24.	Phillip Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ang Lam Poah	3,360,000	0.64
25.	Teh Hock Aun	3,333,000	0.63
26.	Tan Lee Nar	3,235,100	0.62
27.	Mohd Hafiz Bin Mohamad Halim	3,219,900	0.61
28.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lim Kean Seng	3,100,000	0.59
29.	Ang Loo Leong	3,000,750	0.57
30.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teo Swee Sek	3,000,000	0.57

Analysis Of Warrant C Holdings

As at 28 March 2025

(cont'd)

DIRECTORS' WARRANT C HOLDING AS AT 28 MARCH 2025

Names of Directors	Warrant C			
	Direct Interest		Indirect Interest	
	No. of Warrant C	(%)	No. of Warrant C	(%)
Ang Lam Poah	81,737,647	15.55	-	-
Dato' Razali Merican Bin Naina Merican	1,240,000	0.24	-	-
Ang Lam Aik	-	-	-	-
Tan Sri Dato' Haji Abd Karim Bin Shaikh Munisar	-	-	-	-
Khor Hun Nee	-	-	-	-
Dato' Othman Bin Semail	-	-	-	-
Lim Gin Gee	-	-	-	-

SUBSTANTIAL WARRANT C HOLDERS AS AT 28 MARCH 2025

Substantial Warrant Holders	Direct Interest		Indirect Interest	
	No. of Warrant C	(%)	No. of Warrant C	(%)
1. Ang Lam Poah	81,737,647	15.55	-	-

NOTICE OF TWENTY THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty Third Annual General Meeting ("23rd AGM") of the Company will be held at Grand Pacific Event Hall, 3rd Floor, Evolve Concept Mall, Pacific Place @ Ara Damansara, Jalan PJU 1A/4, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan on Thursday, 26 June 2025 at 9.30 a.m. for the purpose of considering the following businesses:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.
2. To re-elect the following directors, who are retiring pursuant to the Article 100(3) of the Company's Constitution and who being eligible offer themselves for re-election:
 - (i) Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar Resolution 1
 - (ii) Ang Lam Poah Resolution 2
3. To approve the payment of Directors' Fees of RM8,000 per month for each of the Non-Executive Directors and additional Directors' Fees of RM3,500 per month for Chairman of the Board with effect from July 2025 until June 2026. Resolution 3
4. To approve the payment of Meeting Attendance Allowances of RM2,000 per meeting for each Director and an additional RM500 per meeting for the Chairman of the meeting with effect from July 2025 until June 2026. Resolution 4
5. To re-appoint UHY Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. Resolution 5

SPECIAL BUSINESS

6. To consider and if thought fit, pass the following resolutions:

ORDINARY RESOLUTION:

Authority to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

Resolution 6

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company ("New Shares") for the time being without first offering the New Shares to the holders of the existing issued shares and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

ORDINARY RESOLUTION:

Proposed renewal of the authority to issue and allot new ordinary shares in the Company ("JAKS Share(s)") for the purpose of Dividend Reinvestment Plan ("DRP") ("New Share(s)") that provides the shareholders of the Company the option to elect to reinvest their cash dividend ("Proposed Renewal of DRP")

Resolution 7

"THAT pursuant to the DRP as approved by the Shareholders at the Annual General Meeting held on 27 June 2023 and the approvals of all relevant authorities or parties being obtained, where required, approval be and is hereby given to the Board to allot and issue such number of New Shares from time to time as may be required to be allotted and issued pursuant to the Proposed Renewal of DRP to such shareholders and upon such terms and conditions as the Board may, at their sole and absolute discretion, deem fit or proper to impose until the conclusion of the next Annual General Meeting of JAKS;

Notice Of Twenty Third Annual General Meeting (cont'd)

THAT, the issue price of the said New Shares, which will be determined and fixed by the Board on the price-fixing date to be determined, shall not be at more than 10% discount to the 5-day volume weighted average market price ("VWAP") of JAKS Shares immediately preceding the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price at the material time;

THAT, the New Shares shall, upon issuance and allotment, rank equally in all respects with the existing JAKS Shares in issue, save and except that the holders of New Shares will not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid for which the entitlement date precedes the date of issuance and allotment of the New Shares;

AND THAT, the Board be and is hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements and to execute, sign and deliver for and on behalf of JAKS, all such documents and impose such terms and conditions or delegate all or any part of their powers as may be necessary or expedient in order to implement, finalise and give full effect to the Proposed Renewal of DRP, with full power to assent to any conditions, modifications, variations and/or amendments (if any) including the suspension or termination of the Proposed Renewal of DRP as the Board may, at their sole and absolute discretion, deem fit or proper and in the best interest of JAKS and/or as may be imposed and/or required by any relevant authorities."

By Order of the Board,

LEONG OI WAH (MAICSA 7023802)
SSM PRACTICING CERTIFICATE NO. 201908000717
Company Secretary

Petaling Jaya
30 April 2025

PROXY NOTES

1. A Member of the Company who is entitled to participate at this meeting is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to participate and to vote in his stead. A proxy need not be a member of the Company.
2. When a Member appoints two or more proxies, the proxies shall not be valid unless the Member specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing proxy shall be in writing under the hands of the appointed or of his attorney duly authorised in writing or, if such appointer is a corporation under its common seal, or the hand of its attorney.
4. The appointment of proxy may be made in a hardcopy form or by electronic means as follows:

In Hardcopy Form

The Proxy Form or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than 48 hours before the time for holding this AGM.

By Tricor Online System (TIIH Online)

The Proxy Form can be electronically submitted to the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Details on the procedure of electronic submission proxy form via TIIH Online.

5. Depositors who appear in the Record of Depositors as at 19 June 2025 shall be regarded as Members of the Company entitled to attend the 23rd AGM or appoint a proxy to attend and vote on his behalf.

Notice Of Twenty Third Annual General Meeting (cont'd)

NOTES ON SPECIAL BUSINESS:

Resolutions 1 & 2:

For the purpose of determining the eligibility of the Directors to stand for re-election at the 23rd AGM, the Board through its Nomination Committee had assessed Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar and Mr Ang Lam Poah (collectively "the Retiring Directors"). The Retiring Directors were assessed on their performance and understanding of the Group's business. Their active participation at the Board meetings showed that there were prepared and were effective in the discharge of his responsibilities. No circumstances have arisen in the past year to impair the judgements of the Retiring Directors on matters brought for Board discussion and they have always acted in the best interest of the Company as a whole.

Based on the wealth of experience of the Retiring Directors and the skills that they can bring to the Company, the Board views that their re-election would bring benefits to the Company.

Based on the above, the Board supports the re-election of the Retiring Directors.

Resolution 6:

The proposed Ordinary Resolution will give powers to the Directors to issue up to a maximum ten per centum (10%) of the total number of issued shares of the Company for the time being ("New Shares") for such purposes as the Directors would consider in the best interest of the Company ("General Mandate"). This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

The General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital and/or acquisitions or the issuance of shares as consideration for the acquisition of assets.

The mandate obtained at the 22nd AGM in 2024 for authority to allot shares of the Company up to 10% of the total number of issued shares of the Company was utilised and the Company implemented the Private Placement exercise where first tranche of 180,700,000 new ordinary shares and second tranche of 56,285,000 new ordinary shares ("Placement Share") of the Company were issued at an issue price of RM0.120 and RM0.145 respectively per Placement Share.

Resolution 7:

The proposed Ordinary Resolution will give authority to the Directors to allot and issue such number of New Shares from time to time as may be required to be allotted and issued pursuant to the DRP until the conclusion of the next AGM of the Company. A renewal of this authority will be sought at the next AGM.

The authority obtained at the Annual General Meeting of the Company held on 27 June 2024 for the Dividend Reinvestment Plan was utilised and 19,434,125 new ordinary shares of the Company at an issue price of RM0.125 per share were issued.

**JAKS RESOURCES BERHAD**

Registration No. 200201017985 (585648-T)

PROXY FORM

CDS Account No.:	
Number of Shares Held:	

*I/We _____ (Full Name in Block Letters) _____

(NRIC (New)/Registration No. of _____

_____ (Address) being *a member / members of JAKS Resources Berhad, hereby appoint

Full Name and Address (in Block Letters)	NRIC/Passport No.	Contact No.	No. of share and % of shareholding
*and			
Full Name and Address (in Block Letters)	NRIC/Passport No.	Contact No.	No. of share and % of shareholding

or failing *him/*her/*them, the Chairman of the Meeting as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf, and if necessary, to demand a poll, at the Twenty Third Annual General Meeting ("23rd AGM") of the Company to be held at Grand Pacific Event Hall, 3rd Floor, Evolve Concept Mall, Pacific Place @ Ara Damansara, Jalan PJU 1A/4, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan on Thursday, 26 June 2025 at 9.30 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Resolutions to be proposed at the meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any item arising not summarised below, *my/our *proxy/proxies may vote or abstain from voting at his/her discretion

No.	Resolutions	For#	Against#
1.	Re-election of Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar as Director		
2.	Re-election of Ang Lam Poah as Director		
3.	Payment of Directors' Fees		
4.	Payment of Meeting Allowance		
5.	Re-appointment of UHY Malaysia PLT as Auditors		
6.	Approval to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
7.	Approval to proposed renewal of Dividend Reinvestment Plan		

Please indicate your vote "For" or "Against" with an "X" within the box provided.

* Delete if not applicable

Signed this _____ day of _____ 2025

Signature/Common Seal of Shareholder(s)**NOTES:**

1. A Member of the Company who is entitled to participate at this meeting is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to participate and to vote in his stead. A proxy need not be a member of the Company.
2. When a Member appoints two or more proxies, the proxies shall not be valid unless the Member specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing proxy shall be in writing under the hands of the appointed or of his attorney duly authorised in writing or, if such appointer is a corporation under its common seal, or the hand of its attorney.
4. The appointment of proxy may be made in a hardcopy form or by electronic means as follows:
In Hardcopy Form
The Proxy Form or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than 48 hours before the time for holding this AGM.
By Tricor Online System (TIH Online)
The Proxy Form can be electronically submitted to the Share Registrar of the Company via TIH Online at <https://tihi.online>. Kindly refer to the Administrative Details on the procedure of electronic submission proxy form via TIH Online.
5. Depositors who appear in the Record of Depositors as at 19 June 2025 shall be regarded as Members of the Company entitled to attend the 23rd Annual General Meeting or appoint a proxy to attend and vote on his behalf.

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JAKS RESOURCES BERHAD
Registration No. 200201017985 (585648-T)
c/o TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur

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JAKS RESOURCES BERHAD
[Registration No: 200201017985 (585648-T)]
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2024

Registered office:
802, 8th Floor
Block C, Kelana Square
17, Jalan SS 7/26
47301 Petaling Jaya
Selangor Darul Ehsan

Principal place of business:
Unit B-09-28
Tower B, Pacific Towers
Jalan 13/6, Section 13
46200 Petaling Jaya
Selangor Darul Ehsan

JAKS RESOURCES BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2024

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JAKS RESOURCES BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors of JAKS Resources Berhad have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

Principal Activities

The principal activities of the Company are those of investment holding and general contractor. The principal activities of the subsidiary companies are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

Financial Results

The results of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
Profit for the financial year	<u>40,535,415</u>	<u>3,521,037</u>
Attributable to:		
Owners of the parent	57,117,139	
Non-controlling interests	<u>(16,581,724)</u>	
	<u>40,535,415</u>	

In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any items, transactions or events of a material and unusual nature other than the changes in accounting policies as disclosed in Note 2(a) to the financial statements.

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

Dividend

On 30 December 2024, the Board declared the first single-tier interim dividend of 0.5 sen per ordinary share in respect of the financial year ending 31 December 2024 (“First Interim Dividend”).

On the same date, the Board had resolved that the dividend reinvestment plan would apply to the First Interim Dividend, whereby the shareholders of JAKS will be provided with the option to elect to reinvest the entire or part of the First Interim Dividend in new shares (“New Share(s)”) (“1st DRP”).

On behalf of the Board, UOB Kay Hian Securities (M) Sdn. Bhd. had, on 13 January 2025, announced that the issue price of the New Shares to be issued pursuant to the 1st DRP had been fixed at RM0.125 per New Share.

Pursuant to the 1st DRP, a total of 19,434,125 New Shares were issued at an issue price of RM0.125 per share. The listing of these New Shares was completed on 4 March 2025.

Except for the above, no other dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any further dividend payment in respect of the financial year ended 31 December 2024.

Issue of Shares and Debentures

During the financial year, the Company issued:

- (a) 180,700,000 placement shares at an issue price of RM0.1200 each under Private Placement; and
- (b) 56,285,000 placement shares at an issue price of RM0.1450 each under Private Placement.

The new ordinary shares issued during the financial year shall rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

Share Options

Long Term Incentive Plan (“LTIP”)

On 28 June 2016, the shareholders of the Company have at Extraordinary General Meeting approved the establishment of a LTIP of up to fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares) at any one time for the Directors and employees of the Group and of the Company. The Group’s LTIP comprises of the Share Option Plan (“SOP”) and Share Grant Plan (“SGP”) for its employees.

Share Options (Cont'd)Long Term Incentive Plan ("LTIP") (Cont'd)

The salient features and other terms of the LTIP are disclosed in the Note 32 to the financial statements.

As at 31 December 2024, the options offered to take up unissued ordinary shares and the exercise price are as follows:

Date of offer	Exercise price	Number of options over ordinary shares			
		At 1.1.2024	Granted	Exercised	At 31.12.2024
24.05.2017	0.75	15,673,619	-	-	15,673,619
24.05.2021	0.538	71,800,000	-	-	71,800,000
14.09.2022	0.237	54,000,000	-	-	54,000,000
		141,473,619	-	-	141,473,619

Warrant C 2020/2025

On 19 November 2020, the Company issued 540,050,650 free warrants pursuant to the Rights Issue on the basis of one (1) free warrant for every two (2) Rights Shares subscribed by the entitled shareholders of the Company.

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 18 November 2025. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 19 November 2020 to 18 November 2025, at an exercise price of RM0.49 per warrant in accordance with the Deed Poll dated 13 October 2020. Any warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

There were no movements in the Company's Warrant C 2020/2025 during the financial year. As at 31 December 2024, 525,564,900 warrants remained unexercised.

Directors

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Ang Lam Aik
Ang Lam Poah*
Dato' Razali Merican Bin Naina Merican*
Khor Hun Nee
Tan Sri Dato' Hj. Abd. Karim B. Shaikh Munisar
Dato' Othman Bin Semail
Lim Gin Gee

The Directors who held office in the subsidiary companies (excluding Directors who are also Directors of the Company) during the financial year and during the period from the end of the financial year to the date of this report:

Datuk Ang Ken Seng
Chen Cheong Fat
Goh Theow Hiang
Rasli Bin Musamah
Noor Azhan Rizaluddin Bin Jamian
Ungku Shaharud Zaman Shah Bin Ungku Nazaruddin
Zaid Bin Kadershah
Haris Fadzilah Bin Abdullah
Lim Tiong Jin

* *Director of the Company and of its subsidiary companies*

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part thereof.

Directors' Interests in Shares

The interests and deemed interests in the shares, options over ordinary shares and Warrants of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouse or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2024	Acquired	Disposed	At 31.12.2024
JAKS Resources Berhad				
Direct Interests				
Ang Lam Poah	334,365,356	-	-	334,365,356
Dato' Razali Merican				
Bin Naina Merican	11,730,000	-	-	11,730,000
Indirect Interests				
Lim Gin Gee*	10,000	-	-	10,000

	Number of options over ordinary shares			
	At 1.1.2024	Granted	Exercised	At 31.12.2024
JAKS Resources Berhad				
Direct interests				
Ang Lam Poah	32,000,000	-	-	32,000,000
Dato' Razali Merican Bin				
Naina Merican	18,000,000	-	-	18,000,000
Ang Lam Aik	14,414,587	-	-	14,414,587

	Number of Warrant C 2020/2025			
	At 1.1.2024	Acquired	Disposed	At 31.12.2024
JAKS Resources Berhad				
Direct Interests				
Ang Lam Poah	81,737,647	-	-	81,737,647
Dato' Razali Merican Bin				
Naina Merican	1,240,000	-	-	1,240,000

* *Deemed interest by virtue of his spouse's and/or child's direct interests in JAKS Resources Berhad.*

None of the other Directors in office at the end of the financial year had any interests in shares in the Company and its related corporations during the financial year.

Directors' Benefits

Since the end of the previous financial year, none of the Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown in Notes 28 and 33 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for those disclosed in Note 35(b) to the financial statements.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than shares granted to certain Directors pursuant to the Company's LTIP as disclosed under Directors' Interests.

Directors' Remuneration

The details of the Directors' remuneration paid/ payable to the Directors of the Group and of the Company during the financial year are as follows:

	Group RM	Company RM
Executive Directors		
Salaries, wages and other emoluments	3,195,500	3,195,500
Defined contributions plan	370,500	370,500
Social security contribution	3,651	3,651
	3,569,651	3,569,651
Non-executive Directors		
Fees	405,000	405,000
Other emoluments	99,500	99,500
	504,500	504,500
	<u>4,074,151</u>	<u>4,074,151</u>

Indemnity and Insurance Costs

During the financial year, the Directors and Officers of JAKS Resources Berhad, together with its subsidiary companies, are covered under the Directors' and Officers' Liability Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and Officers of the Group subject to the terms of the policy. The total amount of Directors' and Officers' Liability Insurance effected for the Directors and Officers of the Group was RM5,000,000. The total amount of premium paid for the Directors' and Officers' Liability Insurance by the Group and the Company was RM35,000. There were no indemnity and insurance costs effected for auditors of the Company during the financial year.

Other Statutory Information

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
 - (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

Other Statutory Information (Cont'd)

- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year except as disclosed in the financial statements.
- (d) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations when they fall due;
 - (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except as disclosed in the notes to financial statements; and
 - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Subsidiary Companies

The details of the subsidiary companies are disclosed in Note 7 to the financial statements.

Auditors' Remuneration

The auditors' remuneration of the Group and of the Company for the financial year is RM398,550 and RM125,000.

Registration No.

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Auditors

The auditors, UHY Malaysia PLT, have expressed their willingness to continue in office.

UHY Malaysia PLT (LLP0041391-LCA & AF 1411) was registered on 19 December 2024 and with effect from that date, UHY Malaysia (Formerly known as UHY) (AF 1411), a conventional partnership was converted to a limited liability partnership.

Signed on behalf of the Board of Directors, as approved by the Board of Directors in accordance with a resolution of the Directors,

ANG LAM POAH

DATO' RAZALI MERICAN BIN
NAINA MERICAN

KUALA LUMPUR

30 APRIL 2025

JAKS RESOURCES BERHAD

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Ang Lam Poah and Dato' Razali Merican Bin Naina Merican, being two of the Directors of the Group and of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed in accordance with
A resolution of the Directors,

ANG LAM POAH

DATO' RAZALI MERICAN BIN
NAINA MERICAN

KUALA LUMPUR

30 APRIL 2025

Registration No. 200201017985 (585648-T)

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JAKS RESOURCES BERHAD

(Incorporated in Malaysia)

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Lim Tiong Jin (MIA Membership No: 16286), being the Officer primarily responsible for the financial management of JAKS Resources Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory on 30 April 2025)
)

LIM TIONG JIN

Before me,

No. W790
ZAINUL ABIDIN BIN AHMAD

COMMISSIONER FOR OATHS

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
JAKS RESOURCES BERHAD**

[Registration No: 200201017985 (585648-T)]
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JAKS Resources Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 19 to 140.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
JAKS RESOURCES BERHAD (CONT'D)**

[Registration No: 200201017985 (585648-T)]

(Incorporated in Malaysia)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
<p>Revenue and cost recognition on construction contracts</p> <p>Construction contracts are recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation.</p> <p>The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation by reference to the costs incurred to date as a percentage of the estimated total costs of the project. In making the estimate, management relies on opinion / service of experts, past experience and the continuous monitoring mechanism.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Obtained an understanding of the relevant processes and internal controls in respect of revenue recognition for construction contracts and performed procedures to evaluate the design and implementation of such controls; • Challenged the assumptions in deriving at the estimates of construction contract. This includes comparing the actual margins achieved of previous similar completed projects to estimates and compared the estimated costs to supporting documentation such as approved budgets, quotations, contracts and variation orders with sub-contractors. • Performed test of detail on the selected costs incurred to date to relevant documents such as sub-contractor claim certificates, verified by the quantity surveyor or the employers; • Searched for unrecorded liabilities by inspecting invoices received and payments made after year end to determine completeness of such accruals; • Reviewed management's workings on the computation of percentage-of-completion. • Assessed the adequacy and reasonableness of the disclosures in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
JAKS RESOURCES BERHAD (CONT'D)**

[Registration No: 200201017985 (585648-T)]
(Incorporated in Malaysia)

Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters
<p>Impairment assessment of investment properties</p> <p>The Group's investment properties are stated at cost. As at 31 December 2024, the carrying amount of investment properties stood at RM580,375,271 which represents approximately 25% of the Group's total assets.</p> <p>The valuation process involved significant judgements in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none">• Reviewed the management's impairment assessment on the Group's investment properties in accordance with MFRS 136 <i>Impairment of Assets</i>.• Conducted site visit to verify the existence and conditions of the investment properties.• Evaluated the objectivity, independence and capabilities of the professional valuer.• Assessed the appropriateness of the valuation model, property related data, including estimates used by the professional valuer.• Assessed the reasonableness of the assumptions used in the valuation and judgement made.• Reviewed and assessed the appropriateness and adequacy of the disclosures in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
JAKS RESOURCES BERHAD (CONT'D)**

[Registration No: 200201017985 (585648-T)]

(Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
JAKS RESOURCES BERHAD (CONT'D)**

[Registration No: 200201017985 (585648-T)]

(Incorporated in Malaysia)

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
JAKS RESOURCES BERHAD (CONT'D)**

[Registration No: 200201017985 (585648-T)]

(Incorporated in Malaysia)

Auditors' Responsibility for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (Cont'd)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
JAKS RESOURCES BERHAD (CONT'D)**

[Registration No: 200201017985 (585648-T)]
(Incorporated in Malaysia)

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

UHY Malaysia PLT
202406000040 (LLP0041391-LCA) & AF 1411
Chartered Accountants

HO SIEW CHAN
Approved Number: 03485/02/2026 J
Chartered Accountant

KUALA LUMPUR

30 April 2025

JAKS RESOURCES BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	268,103,443	296,599,619	25,965	31,666
Investment properties	5	580,375,271	591,330,787	-	-
Right-of-use assets	6	1,926,599	2,051,230	1,383,717	1,775,593
Investment in subsidiary companies	7	-	-	620,481,732	614,997,759
Investment in joint ventures	8	998,672,957	904,451,907	-	-
Goodwill on consolidation	10	-	-	-	-
Golf club memberships	11	278,947	286,840	-	-
Amount due from subsidiary companies	12	-	-	562,458,301	488,413,020
		<u>1,849,357,217</u>	<u>1,794,720,383</u>	<u>1,184,349,715</u>	<u>1,105,218,038</u>
Current Assets					
Inventories	13	483,400	483,400	-	-
Contract assets	14	95,097,745	102,030,052	-	-
Trade receivables	15	160,680,695	225,673,296	-	-
Other receivables	16	157,924,809	191,919,722	13,735,820	343,560
Amount due from subsidiary companies	12	-	-	137,517,901	136,873,642
Amount due from joint ventures	17	10,285,182	10,291,373	-	-
Tax recoverable		370,878	30,601	-	-
Deposits placed with licensed banks	18	24,296,264	22,221,624	-	83,793
Cash and bank balances	18	57,110,666	41,803,068	18,054,855	27,755,140
		<u>506,249,639</u>	<u>594,453,136</u>	<u>169,308,576</u>	<u>165,056,135</u>
Total Assets		2,355,606,856	2,389,173,519	1,353,658,291	1,270,274,173

JAKS RESOURCES BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 (CONT'D)**

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
EQUITY					
Share capital	19	1,154,950,255	1,125,104,930	1,154,950,255	1,125,104,930
Reserves	20	396,323,419	354,755,876	35,223,360	46,072,843
Equity attributable to owners of the parent		1,551,273,674	1,479,860,806	1,190,173,615	1,171,177,773
Non-controlling interests		(78,095,079)	(61,513,845)	-	-
Total Equity		<u>1,473,178,595</u>	<u>1,418,346,961</u>	<u>1,190,173,615</u>	<u>1,171,177,773</u>
LIABILITIES					
Non-Current Liabilities					
Bank borrowings	21	391,548,824	419,325,099	-	-
Lease liabilities	22	1,099,738	1,255,927	910,265	1,231,009
Deferred tax liabilities	23	21,923	29,778	-	-
		<u>392,670,485</u>	<u>420,610,804</u>	<u>910,265</u>	<u>1,231,009</u>
Current Liabilities					
Trade payables	24	213,243,031	238,421,953	1,026,520	-
Other payables	25	205,991,177	231,693,290	33,353,456	20,798,801
Amount due to subsidiary companies	12	-	-	125,804,278	71,820,316
Bank borrowings	21	64,900,475	74,111,378	-	-
Lease liabilities	22	521,397	467,666	320,745	305,680
Tax payable		5,101,696	5,521,467	2,069,412	4,940,594
		<u>489,757,776</u>	<u>550,215,754</u>	<u>162,574,411</u>	<u>97,865,391</u>
Total Liabilities		<u>882,428,261</u>	<u>970,826,558</u>	<u>163,484,676</u>	<u>99,096,400</u>
Total Equity and Liabilities		<u>2,355,606,856</u>	<u>2,389,173,519</u>	<u>1,353,658,291</u>	<u>1,270,274,173</u>

The accompanying notes form an integral part of the financial statements.

JAKS RESOURCES BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	26	50,868,908	39,555,794	45,767,145	7,800,000
Cost of sales		(42,851,306)	(8,335,701)	(10,624,240)	-
Gross profit		<u>8,017,602</u>	<u>31,220,093</u>	<u>35,142,905</u>	<u>7,800,000</u>
Other income		60,789,033	9,688,161	35,378	18,950,372
Administrative expenses		(58,264,755)	(100,334,580)	(22,939,766)	(109,443,257)
Net loss on impairment of financial instruments		(53,268,341)	(31,911,020)	(8,604,863)	(6,680,091)
(Loss)/Profit from operation		<u>(42,726,461)</u>	<u>(91,337,346)</u>	<u>3,633,654</u>	<u>(89,372,976)</u>
Finance costs	27	(32,017,843)	(27,632,757)	(62,624)	(224,747)
Share of results of joint ventures		121,594,264	131,059,683	-	-
Profit/(Loss) before tax	28	<u>46,849,960</u>	<u>12,089,580</u>	<u>3,571,030</u>	<u>(89,597,723)</u>
Taxation	29	(6,314,545)	(292,018)	(49,993)	1,503
Profit/(Loss) for the financial year		<u>40,535,415</u>	<u>11,797,562</u>	<u>3,521,037</u>	<u>(89,596,220)</u>

JAKS RESOURCES BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

		Group		Company	
	Note	2024	2023	2024	2023
		RM	RM	RM	RM
Other comprehensive income, net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation		(1,179,076)	1,831,982	-	-
Total comprehensive income/(loss) for the financial year		<u>39,356,339</u>	<u>13,629,544</u>	<u>3,521,037</u>	<u>(89,596,220)</u>
Profit/(Loss) for the financial year attributable to:					
Owners of the parent		57,117,139	16,744,278	3,521,037	(89,596,220)
Non-controlling interests		<u>(16,581,724)</u>	<u>(4,946,716)</u>	<u>-</u>	<u>-</u>
		<u>40,535,415</u>	<u>11,797,562</u>	<u>3,521,037</u>	<u>(89,596,220)</u>
Total comprehensive income/(loss) attributable to:					
Owners of the parent		55,938,063	18,576,260	3,521,037	(89,596,220)
Non-controlling interests		<u>(16,581,724)</u>	<u>(4,946,716)</u>	<u>-</u>	<u>-</u>
		<u>39,356,339</u>	<u>13,629,544</u>	<u>3,521,037</u>	<u>(89,596,220)</u>
Earnings per share					
Basic earnings per share (sen)	30(a)	<u>2.27</u>	<u>0.75</u>		
Diluted earnings per share (sen)	30(b)	<u>2.27</u>	<u>0.75</u>		

The accompanying notes form an integral part of the financial statements.

JAKS RESOURCES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

<----- Attributable to Owners of the Parent ----->
<----- Non-Distributable -----> < Distributable >

	Share Capital RM	LTIP Reserves RM	Translation Reserves RM	Warrants Reserves RM	Other Reserves RM	Retained Earnings RM	Total RM	Non- Controlling Interests RM	Total Equity RM
Group									
At 1 January 2024	1,125,104,930	11,198,100	(5,785,753)	215,481,610	(215,481,610)	349,343,529	1,479,860,806	(61,513,845)	1,418,346,961
Profit for the financial year	-	-	-	-	-	57,117,139	57,117,139	(16,581,724)	40,535,415
Foreign currency translation	-	-	(1,179,076)	-	-	-	(1,179,076)	-	(1,179,076)
Total comprehensive income for the financial year	-	-	(1,179,076)	-	-	57,117,139	55,938,063	(16,581,724)	39,356,339
Transactions with owners:									
Dividend declared	-	-	-	-	-	(13,034,178)	(13,034,178)	-	(13,034,178)
Issuance of shares under private placement	29,845,325	-	-	-	-	(1,336,342)	28,508,983	-	28,508,983
Capital contribution by non-controlling interest	-	-	-	-	-	-	-	490	490
Total transactions with owners	29,845,325	-	-	-	-	(14,370,520)	15,474,805	490	15,475,295
At 31 December 2024	1,154,950,255	11,198,100	(6,964,829)	215,481,610	(215,481,610)	392,090,148	1,551,273,674	(78,095,079)	1,473,178,595

JAKS RESOURCES BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Attributable to Owners of the Parent			
	Non-Distributable		< Distributable >	
	Share Capital	L TIP Reserves	Translation Reserves	Warrants Reserves
	RM	RM	RM	RM
At 1 January 2023	1,074,143,409	11,198,100	(7,617,735)	238,088,718
Profit for the financial year	-	-	-	-
Foreign currency translation	-	-	1,831,982	-
Total comprehensive income for the financial year	-	-	1,831,982	-
Transactions with owners:				
Issuance of shares under share grant plan	12,690,000	-	-	-
Issuance of shares under private placement	38,270,791	-	-	-
Exercised of warrants	730	-	-	(310)
Expiration of warrants	-	-	-	(22,606,798)
Total transactions with owners	50,961,521	-	-	(22,607,108)
At 31 December 2023	1,125,104,930	11,198,100	(5,785,753)	215,481,610

JAKS RESOURCES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	<----- Non-Distributable ----->				< Distributable >	
	Share Capital RM	L/TIP Reserves RM	Warrants Reserves RM	Other Reserves RM	Retained earnings RM	Total Equity RM
Company						
At 1 January 2024	1,125,104,930	11,198,100	215,481,610	(215,481,610)	34,874,743	1,171,177,773
Profit for the financial year,						
representing total comprehensive						
income for the financial year	-	-	-	-	3,521,037	3,521,037
Transactions with owners:						
Dividend declared	-	-	-	-	(13,034,178)	(13,034,178)
Issuance of shares under private placement	29,845,325	-	-	-	(1,336,342)	28,508,983
Total transactions with owners	29,845,325	-	-	-	(14,370,520)	15,474,805
At 31 December 2024	1,154,950,255	11,198,100	215,481,610	(215,481,610)	24,025,260	1,190,173,615

JAKS RESOURCES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	<----- Non-Distributable ----->				< Distributable >	
	Share Capital RM	LTIP Reserves RM	Warrants Reserves RM	Other Reserves RM	Retained earnings RM	Total Equity RM
Company						
At 1 January 2023	1,074,143,409	11,198,100	238,088,718	(215,481,610)	102,745,893	1,210,694,510
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	-	(89,596,220)	(89,596,220)
Transactions with owners:						
Issuance of shares under share grant plan	12,690,000	-	-	-	-	12,690,000
Issuance of shares under private placement	38,270,791	-	-	-	(881,728)	37,389,063
Exercise of warrants	730	-	(310)	-	-	420
Expiration of warrants	-	-	(22,606,798)	-	22,606,798	-
Total transactions with owners	50,961,521	-	(22,607,108)	-	21,725,070	50,079,483
At 31 December 2023	1,125,104,930	11,198,100	215,481,610	(215,481,610)	34,874,743	1,171,177,773

The accompanying notes form an integral part of the financial statements.

JAKS RESOURCES BERHAD

(Incorporated In Malaysia)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash Flows From Operating Activities				
Profit/(Loss) before tax	46,849,960	12,089,580	3,571,030	(89,597,723)
Adjustments for:				
Amortisation of golf club memberships	7,893	7,895	-	-
Bad debts written off	-	1,854	-	-
Depreciation of:				
- Property, plant and equipment	10,094,544	6,515,728	4,892	25,585
- Investment properties	13,572,643	13,497,211	-	-
- Right-of-use asset	566,953	396,664	391,876	239,521
Dividend income	-	-	(26,916,980)	-
(Gain)/Loss on disposal of property, plant and equipment	(54,725,694)	(506,779)	1,807	(192,000)
Impairment losses on:				
- Investment in subsidiary companies	-	-	-	86,000,000
- Goodwill on consolidation	-	23,500,000	-	-
- Contract assets	-	4,363,440	-	-
- Trade receivables	41,569,935	8,701,306	-	-
- Other receivables	14,742,102	27,668,257	-	-
- Amount due from subsidiary companies	-	-	10,637,211	6,680,091
Interest expense	32,017,843	27,632,757	62,624	224,747
Interest income	(721,390)	(735,244)	(35,378)	(42,668)
LTIP expenses	-	12,690,000	-	12,690,000
Reversal of accrual development expenditure	-	(24,500,000)	-	-
Reversal of impairment losses on:				
- Investment properties	(4,015,727)	(7,125,058)	-	-
- Contract assets	(133,584)	-	-	-
- Trade receivables	(3,041,446)	(2,098,125)	-	-
- Other receivables	(2,250)	(2,360,418)	-	-
- Amount due from subsidiary companies	-	-	(2,032,348)	-
Share of result of joint venture	(121,594,264)	(131,059,683)	-	-
Unrealised (gain)/loss on foreign exchange	(2,241,399)	3,314,420	11,991,650	(18,715,704)
Operating loss before working capital changes	(27,053,881)	(28,006,195)	(2,323,616)	(2,688,151)

JAKS RESOURCES BERHAD

(Incorporated In Malaysia)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash Flows From Operating Activities (Cont'd)				
Changes in working capital:				
Contract asset	6,135,993	109,986,548	-	-
Receivables	40,565,872	(66,235,631)	294,340	(21,472)
Payables	(54,297,331)	(21,454,990)	60,997	(7,872,645)
	(7,595,466)	22,295,927	355,337	(7,894,117)
Cash used in operations	(34,649,347)	(5,710,268)	(1,968,279)	(10,582,268)
Interest paid	(1,724,211)	(2,911,175)	-	-
Tax paid	(7,082,449)	(2,638,282)	(2,921,175)	(1,425,200)
	(8,806,660)	(5,549,457)	(2,921,175)	(1,425,200)
Net cash used in operating activities	(43,456,007)	(11,259,725)	(4,889,454)	(12,007,468)
Cash Flows From Investing Activities				
Net advance to subsidiary companies	-	-	(78,583,368)	(23,360,307)
Subscription of share investment in a subsidiary company	-	-	(20,000,000)	-
Net proceeds from disposal of:				
- property, plant and equipment	70,702,999	506,800	2,000	192,000
- investment properties	1,398,600	-	-	-
Advance to joint venture	-	(9,094)	-	-
Capital contribution by non-controlling interest	490	-	-	-
Dividend received from subsidiaries	-	-	13,230,380	-
Dividend received from joint venture	27,373,214	27,386,409	-	-
Interest received	721,390	735,244	35,378	42,668
Purchase of property, plant and equipment	(37,937)	(60,640,334)	(2,998)	(8,495)
Purchase of right-of-use	(52,313)	(309,381)	-	(309,381)
Net cash from/(used in) investing activities	100,106,443	(32,330,356)	(85,318,608)	(23,443,515)

JAKS RESOURCES BERHAD

(Incorporated In Malaysia)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash Flows From Financing Activities				
Net advance from subsidiary companies	-	-	52,115,196	9,965,531
Proceeds from exercise of warrants	-	420	-	420
Proceeds from private placement	29,845,325	38,270,791	29,845,325	38,270,791
(Increase)/Decrease in deposit pledged, debt service, reserve account and revenue account	(8,637,796)	32,453,730	83,793	301,207
Interest paid	(30,293,632)	(24,721,582)	(62,624)	(224,747)
Net movement of bill payables	(1,116,000)	(2,716,361)	-	-
Net movement of trade commodity financing	(8,550,000)	-	-	-
Repayments of lease liabilities	(492,467)	(351,648)	(305,679)	(162,088)
Share issuance expenses	(1,336,342)	(881,728)	(1,336,342)	(881,728)
Net movement of revolving credit	-	(10,000,000)	-	(10,000,000)
Net movement of term loans	(27,015,439)	9,540,700	-	-
Net cash (used in)/from financing activities	<u>(47,596,351)</u>	<u>41,594,322</u>	<u>80,339,669</u>	<u>37,269,386</u>
Net increase/(decrease) in cash and cash equivalents	9,054,085	(1,995,759)	(9,868,393)	1,818,403
Exchange translation differences on cash and cash equivalents	(3,904)	(1,099,244)	168,108	18,715,704
Cash and cash equivalents at the beginning of the financial year	<u>26,615,027</u>	<u>29,710,030</u>	<u>27,755,140</u>	<u>7,221,033</u>
Cash and cash equivalents at the end of the financial year	<u>35,665,208</u>	<u>26,615,027</u>	<u>18,054,855</u>	<u>27,755,140</u>

JAKS RESOURCES BERHAD

(Incorporated In Malaysia)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash and cash equivalents comprise:				
Deposits placed with licensed banks	24,296,264	22,221,624	-	83,793
Cash and bank balances	57,110,666	41,803,068	18,054,855	27,755,140
Bank overdrafts	(5,605,212)	(5,910,951)	-	-
	<u>75,801,718</u>	<u>58,113,741</u>	<u>18,054,855</u>	<u>27,838,933</u>
Less: Deposits pledged				
Deposits held as security values	(24,296,264)	(22,221,624)	-	(83,793)
Project development accounts	(8,801)	(8,801)		
Debt service reserve account	(9,784,248)	(8,363,897)	-	-
Revenue account	(6,047,197)	(904,392)	-	-
	<u>35,665,208</u>	<u>26,615,027</u>	<u>18,054,855</u>	<u>27,755,140</u>

The accompanying notes form an integral part of the financial statements.

JAKS RESOURCES BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

1. Corporate Information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal place of business of the Company is located at Unit B-09-28, Tower B, Pacific Towers, Jalan 13/6, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan.

The registered office of the Company is located at 802, 8th Floor, Block C, Kelana Square, 17, Jalan SS 7/26, 47301 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are that of investment holding and general contractor. The principal activities of the subsidiary companies are disclosed in Note 7. There have been no significant changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

2. Basis of Preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policies below.

2. Basis of Preparation (Cont'd)**(a) Statement of compliance (Cont'd)****Adoption of amended standards**

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial year:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

Standards issued but not yet effective

The Group and the Company have not applied the following amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11: <ul style="list-style-type: none">• Amendments to MFRS 1• Amendments to MFRS 7• Amendments to MFRS 9• Amendments to MFRS 10• Amendments to MFRS 107		1 January 2026
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The Group and the Company intend to adopt the above amendments to standards, if applicable, when they become effective.

The initial application of the above-mentioned amendments to standards are not expected to have any significant impacts on the financial statements of the Group and of the Company except as disclosed below.

MFRS 18 Presentation and Disclosure in Financial Statement

MFRS 18 will replace *MFRS 101 Presentation of Financial Statements*. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to *MFRS 107 Statement of Cash Flows* and some requirements of MFRS 101 have been moved to *MFRS 108 Basis of Preparation of Financial Statements*.

MFRS 18 additional requirements are as follows:

(i) Statement of Profit or Loss and Other Comprehensive Income

MFRS 18 introduces newly defined “operating profit or loss” and “profit or loss before financing and income tax” subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged. Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of Cash Flows

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from “profit or loss” to “operating profit or loss”. It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

2. **Basis of Preparation (Cont'd)**

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

MFRS 18 Presentation and Disclosure in Financial Statement (Cont'd)

MFRS 18 additional requirements are as follows: (Cont'd)

(iv) Management-defined Performance Measures (MPMs)

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced Guidance on Aggregation and Disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The potential impact of the new standard on the financial statements of the Group and of the Company have yet to be assessed.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Judgements

The following are the judgements made by management in the process of applying the Group's and of the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Joint ventures

The Group has interest in an investment which it regards as a joint venture although the Group owns less than half of the ownership interest in this entity as disclosed in Note 8. This entity has not been regarded as associate of the Group as management have assessed that the contractual arrangement with the respective joint venture party has given rise to joint control over this entity in accordance with MFRS 11 *Joint Arrangements*.

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

Satisfaction of performance obligations in relation to contracts with customers

The Group and the Company are required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations:

2. **Basis of Preparation (Cont'd)**

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Judgements (Cont'd)

Satisfaction of performance obligations in relation to contracts with customers (Cont'd)

The Group and the Company recognise revenue over time in the following circumstances:

- (i) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group and the Company perform;
- (ii) the Group and the Company do not create an asset with an alternative use to the Group and to the Company and have an enforceable right to payment for performance completed to date; and
- (iii) the Group's and the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group and the Company assess each contract with customers to determine when the performance obligation of the Group and the Company under the contract is satisfied.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Useful lives of property, plant and equipment, investment properties and right-of-use ("ROU") assets

The Group and the Company regularly review the estimated useful lives of property, plant and equipment, investment properties and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, investment properties and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment, investment properties and ROU assets. The carrying amount of the property, plant and equipment, investment properties and ROU assets are disclosed in Notes 4, 5 and 6 respectively.

Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use and fair value less costs of disposal of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. When fair value less costs of disposal calculation is used, management estimate the expected selling price of the assets or cash generating unit less its estimated cost to sell. The key assumptions used to determine the value-in-use is disclosed in Note 10.

Impairment of investment in subsidiary companies

The Company reviews its investment in subsidiary companies when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investment in subsidiary companies is disclosed in Note 7.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these tax matters is different from the amounts that were initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made. As at 31 December 2024, the Group has tax recoverable of RM370,878 (2023: RM30,601), and the Group and the Company have tax payable of RM5,101,696 (2023: RM5,521,467) and RM2,069,412 (2023: RM4,940,594) respectively.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 13.

Employee share options and Share Grant Plan ("SGP")

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. Details of assumptions made in respect of the share-based payment scheme are disclosed in Note 32.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Revenue from construction contracts

Construction revenue and costs are recognised over the period of the contract in the profit or loss by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of performance obligation is measured based on the physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total construction costs. The total estimated construction costs are based on approved budgets, which require assessments and judgments to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, the Group evaluates based on past experience, the work of specialists and a continuous monitoring mechanism.

The details of construction contracts are disclosed in Note 14.

Provision for expected credit loss of financial assets at amortised cost

The Group reviews the recoverability of its receivables, include trade and other receivables, and amounts due from subsidiary companies and joint ventures at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions at the end of each reporting period.

The carrying amounts at the reporting date for receivables are disclosed in Notes 12, 14, 15, 16 and 17 respectively.

2. **Basis of Preparation (Cont'd)**

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group and the Company use the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group and the Company would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group and the Company estimate the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and internal and external experts to the Group for matters in the ordinary course of business. Details of contingent liabilities and material litigation are disclosed in Notes 34 and 41 respectively.

3. **Material Accounting Policies**

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiary companies

Investments in subsidiaries are measured in the Company's statement of financial position at cost less accumulated impairment losses.

3. **Material Accounting Policies (Cont'd)**

(a) Basis of consolidation (Cont'd)

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a gain on bargain purchase is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

(iii) Goodwill on consolidation

Goodwill arises on business combinations is measured at cost less any accumulated impairment losses.

3. **Material Accounting Policies (Cont'd)**

(a) **Basis of consolidation (Cont'd)**

(iv) **Acquisitions from entities under common control**

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group's equity and any resulting gain or loss is recognised directly in equity.

(v) **Interests in equity-accounted investees**

The Group's interests in equity-accounted investees comprise interests in joint ventures.

Investments in joint ventures are accounted for under the equity method. The cost of the investment includes transaction costs, adjusted for hyperinflationary effects as described in Note 2(a), where applicable. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

(b) **Investments in joint ventures**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

On acquisition of an investment in a joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of joint venture's profit or loss for the period in which the investment is acquired.

3. **Material Accounting Policies (Cont'd)**

(b) Investments in joint ventures (Cont'd)

A joint venture is equity accounted for from the date on which the investee becomes a joint venture. Under the equity method, on initial recognition the investment in a joint venture is recognised at cost, and the carrying amounts is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the joint venture after the date of acquisition. When the Group's share of losses in a joint venture equal or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Profits or losses resulting from upstream and downstream transactions between the Group and its joint venture are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the joint venture. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the assets transferred.

The financial statements of the joint ventures are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The requirement of MFRS 136 *Impairment of Assets* is applied determines whether it is necessary to recognise any impairment loss with respect to its investment in the joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the carrying amount of the investment in the joint venture is tested for impairment in accordance with MFRS 136 as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in joint ventures are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The policy of recognition and measurement of impairment losses is in accordance with Note 3(n)(i).

3. **Material Accounting Policies (Cont'd)**

(c) Foreign currency translation

(i) Foreign currency transactions and balances

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not translated at the end of the reporting date, except for those that are measured at fair value which are translated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on translation are generally recognised in profit or loss, except for foreign currency differences arising from the translation of the following items which are recognised in other comprehensive income:

- equity instruments designated as fair value through other comprehensive income;
- financial liabilities designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations, excluding the foreign operations in hyperinflationary economy, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed off such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

3. **Material Accounting Policies (Cont'd)**

(c) Foreign currency translation (Cont'd)

(ii) Foreign operations (Cont'd)

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

(ii) Depreciation

Depreciation is based on the cost of an asset, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction (construction-in-progress) are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

	Rate
Freehold buildings	2%
Plant and machineries	2% - 10%
Motor vehicles	10% - 20%
Furniture, fittings, office equipment and renovation	10% - 33.3%
Power plant	4%

3. **Material Accounting Policies (Cont'd)**

(d) **Property, plant and equipment (Cont'd)**

(ii) **Depreciation (Cont'd)**

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

(e) **Leases**

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

	Rate
Buildings	2%, or over the lease term, if shorter
Motor vehicles	10% - 20%

The Group has elected not to recognise right-of-use assets ("ROU assets) and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

(f) **Investment properties**

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

3. **Material Accounting Policies (Cont'd)**

(f) Investment properties (Cont'd)

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Buildings under construction are not depreciated. Other investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rates are:

	Rate
Building	2%
Leasehold land	Over the remaining lease period

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(n)(i) to the financial statements on impairment of non-financial assets.

(g) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at Fair Value Through Profit & Loss ("FVTPL"), directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include trade and other receivables, amount due from subsidiary companies and joint ventures and deposits, cash and bank balances.

Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principle amount outstanding.

3. **Material Accounting Policies (Cont'd)**

(g) Financial assets (Cont'd)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group and the Company have not designated any financial assets as Fair Value Through Other Comprehensive Income ("FVOCI") and FVTPL.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

(h) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

3. Material Accounting Policies (Cont'd)

(i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Liabilities arising from financial guarantees are presented together with other provisions.

(j) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value.

(i) Completed properties

The cost of completed properties includes costs of land and related development cost or its purchase costs and incidental cost of acquisition. Cost is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and applicable selling expenses.

(l) Construction contracts

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

3. **Material Accounting Policies (Cont'd)**

(l) Construction contracts (Cont'd)

Cost incurred to fulfil the contracts, comprising cost of direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors are recognised as an asset and amortised over to profit or loss systematically to reflect the transfer of the contracted service to the customer.

The Group uses the efforts or inputs to the satisfaction of the performance obligations to determine the appropriate amount to recognise in a given period. This is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature. When the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive in exchange of the contracted asset, an impairment loss is recognised in profit or loss.

The Group presents as an asset the gross amount due from customers for contract work in progress for which costs incurred plus recognised profits (less recognised losses) exceed contract liabilities. Contract liabilities not yet paid by customers and retention monies are included within receivables and contract assets. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which contract liabilities exceed costs incurred plus recognised profits (less recognised losses).

(m) Contract assets and Contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

3. **Material Accounting Policies (Cont'd)**

(n) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

3. **Material Accounting Policies (Cont'd)**

(n) **Impairment of assets (Cont'd)**

(i) **Non-financial assets (Cont'd)**

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(ii) **Financial assets**

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade receivables, other receivables, contract assets and inter-company balances, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

3. **Material Accounting Policies (Cont'd)**

(o) Share capital

(i) Issue expenses

Costs directly attributable to issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary Shares

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

(iii) Dividend distribution

Liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period. Distributions to holders of an equity instrument is recognised directly in equity.

(iv) Warrant

Warrants are classified as equity instruments. The issuance of ordinary shares upon exercise of warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants.

Upon exercise of the warrants, the proceeds are credited to share capital and the related warrant reserves are reversed. The warrant reserves in relation to unexercised warrants at the expiry of the warrants will be reversed into retained earnings.

(p) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

3. **Material Accounting Policies (Cont'd)**

(p) Provisions (Cont'd)

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

(q) Revenue recognition

(i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation (“PO”) by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, net of goods and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

3. Material Accounting Policies (Cont'd)

(q) Revenue recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

Revenue from construction contracts

The Group recognises revenue from construction contracts over time when control over the asset has been transferred to the customers. The assets have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to date. Revenue from construction contracts is measured at the transaction price agreed under the construction contracts.

Revenue is recognised over the period of the contract using the input method to measure the progress towards complete satisfaction of the performance obligations under the construction contract, i.e. based on the level of completion of the physical proportion of contract costs incurred for work performed up to the end of the reporting period as a percentage of the estimated total costs of development of the contract.

The Group becomes entitled to invoice customers for construction of promised asset based on achieving a series of performance-related milestones (i.e. progress billing). The Group previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised to date, the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

Sale of electricity through solar energy generation

The Group sells electricity generated through its self-owned solar plant and systems to electric utility company. Revenue is recognised upon supply of electricity by kilowatt-hour to the customers.

Rendering of services

Revenue from services are recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

3. **Material Accounting Policies (Cont'd)**

(q) Revenue recognition (Cont'd)

(ii) Interest income

Interest income is recognised on accruals basis using the effective interest method.

(iii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(iv) Management fee

Management fee is recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

3. **Material Accounting Policies (Cont'd)**

(s) **Income tax**

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for temporary differences in the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Global minimum top-up tax

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of MFRS 112 *Income Taxes*. The Group has applied a temporary mandatory exception from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

3. Material Accounting Policies (Cont'd)

(t) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensation absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group have no further payment obligations.

(iii) Equity-settled share-based payment transaction

The Group operates an equity-settled, share-based long-term incentive plan which comprises the Share Option Plan ("SOP") and Share Grant Plan ("SGP") for its employees.

Share Option Plan ("SOP")

Employee services received in exchange for the grant of the share options is recognised as an expense in the profit or loss over the vesting periods of the grant with a corresponding increase in equity.

For options granted to the employees of the subsidiary companies, the fair value of the options granted is recognised as cost of investment in the subsidiary companies over the vesting period with a corresponding adjustment to equity in the Company's financial statements.

3. **Material Accounting Policies (Cont'd)**

(t) Employee benefits (Cont'd)

(iii) Equity-settled share-based payment transaction (Cont'd)

Share Option Plan ("SOP") (Cont'd)

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to be vested. At the end of each reporting date, the Group revises its estimates of the number of share options that are expected to be vested. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

Share Grant Plan ("SGP")

The share grant are settled by way of issuance and transfer of new shares upon vesting. The total fair value of shares granted is recognised as an employee cost with a corresponding increase in the share grant reserve within equity over the vesting period after taking into account the probability that the share grant will vest.

At each reporting date, the Group revises its estimates of the number of share grant that are expected to vest on vesting date. It recognises the impact of the revision of original estimates, if any, in profit or loss and a corresponding adjustment to equity over the remaining vesting period.

(u) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3. Material Accounting Policies (Cont'd)

(u) Contingencies (Cont'd)

(ii) Contingent assets

Where it is not possible that there is an inflow of economic benefits, or the amount cannot be estimated reliably, the asset is not recognised in the statements of financial position and is disclosed as contingent asset, unless the probability of inflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

(v) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- | | |
|----------|--|
| Level 1: | quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date. |
| Level 2: | inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. |
| Level 3: | unobservable inputs for the asset or liability. |

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3. Material Accounting Policies (Cont'd)

(w) Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the MFRSs applicable to the particular assets, liabilities, revenues and expenses.

Profits and losses resulting from transactions between the Group and its joint operation are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the joint operation.

4. **Property, Plant and Equipment**

	Freehold land RM	Freehold buildings RM	Plant and machineries RM	Motor vehicles RM	Furniture, fittings, office equipment and renovation RM	Power Plant RM	Total RM
Group							
2024							
Cost							
At 1 January	29,949,776	71,886,562	1,644,521	3,049,454	10,322,121	202,204,757	319,057,191
Additions	-	-	-	-	37,937	-	37,937
Disposals	(15,973,497)	-	-	(106,017)	-	-	(16,079,514)
Other movement	-	-	-	-	-	(2,448,969)	(2,448,969)
Exchange differences	-	-	-	(15,541)	-	-	(15,541)
At 31 December	13,976,279	71,886,562	1,644,521	2,927,896	10,360,058	199,755,788	300,551,104
Accumulated depreciation							
At 1 January	-	6,070,646	1,568,366	2,542,738	7,894,003	4,381,819	22,457,572
Charge for the financial year	-	1,435,393	76,154	466	541,999	8,040,532	10,094,544
Disposals	-	-	-	(102,209)	-	-	(102,209)
Exchange differences	-	-	-	(2,246)	-	-	(2,246)
At 31 December	-	7,506,039	1,644,520	2,438,749	8,436,002	12,422,351	32,447,661
Carrying amount							
At 31 December	13,976,279	64,380,523	1	489,147	1,924,056	187,333,437	268,103,443

4. **Property, Plant and Equipment (Cont'd)**

Group	Freehold land	Freehold buildings	Plant and machineries	Motor vehicles	Furniture, fittings, office equipment and renovation	Capital Work-in-progress	Power Plant	Total
2023	RM	RM	RM	RM	RM	RM	RM	RM
Cost								
At 1 January	29,949,776	71,886,562	1,644,521	5,348,376	10,096,496	141,794,710	-	260,720,441
Additions	-	-	-	4,662	225,625	60,410,047	-	60,640,334
Reclassification	-	-	-	-	-	(202,204,757)	202,204,757	-
Disposals	-	-	-	(2,326,416)	-	-	-	(2,326,416)
Exchange differences	-	-	-	22,832	-	-	-	22,832
At 31 December	29,949,776	71,886,562	1,644,521	3,049,454	10,322,121	-	202,204,757	319,057,191

4. Property, Plant and Equipment (Cont'd)

	Freehold land RM	Freehold buildings RM	Plant and machineries RM	Motor vehicles RM	Furniture, fittings, office equipment and renovation RM	Capital Work-in- Progress RM	Power Plant RM	Total RM
Group								
2023								
Accumulated depreciation								
At 1 January	-	4,635,252	1,439,478	4,794,889	7,397,741	-	-	18,267,360
Charge for the financial year	-	1,435,394	128,888	73,365	496,262	-	4,381,819	6,515,728
Disposals	-	-	-	(2,326,395)	-	-	-	(2,326,395)
Exchange differences	-	-	-	879	-	-	-	879
At 31 December	-	6,070,646	1,568,366	2,542,738	7,894,003	-	4,381,819	22,457,572
Carrying amount								
At 31 December	29,949,776	65,815,916	76,155	506,716	2,428,118	-	197,822,938	296,599,619

4. Property, Plant and Equipment (Cont'd)

	Office equipment and renovation RM	Motor vehicles RM	Total RM
Company			
2024			
Cost			
At 1 January	593,821	4,662	598,483
Additions	2,998	-	2,998
Disposals	-	(4,662)	(4,662)
At 31 December	596,819	-	596,819
Accumulated depreciation			
At 1 January	566,428	389	566,817
Charge for the financial year	4,426	466	4,892
Disposals	-	(855)	(855)
At 31 December	570,854	-	570,854
Carrying amount			
At 31 December	25,965	-	25,965
2023			
Cost			
At 1 January	589,988	1,217,030	1,807,018
Additions	3,833	4,662	8,495
Disposals	-	(1,217,030)	(1,217,030)
At 31 December	593,821	4,662	598,483
Accumulated depreciation			
At 1 January	541,232	1,217,030	1,758,262
Charge for the financial year	25,196	389	25,585
Disposals	-	(1,217,030)	(1,217,030)
At 31 December	566,428	389	566,817
Carrying amount			
At 31 December	27,393	4,273	31,666

4. Property, Plant and Equipment (Cont'd)

- (a) The net carrying amount of property, plant and equipment of the Group that in the progress of issuance of strata title is as follows:

	Group	
	2024	2023
	RM	RM
Freehold buildings	<u>64,208,716</u>	<u>65,603,500</u>

- (b) Property, plant and equipment pledged as securities to licensed banks

The property, plant and equipment of the Group of RM13,976,279 (2023: RM29,949,776) have been pledged to secure the bank borrowings granted to the Group as disclosure in Note 21.

- (c) Capital work-in progress

In the previous financial year, included in additions to capital work-in-progress of the Group are borrowing costs capitalised during the year of RM3,702,167 as per disclosed in Note 27.

5. Investment Properties

	Group	
	2024	2023
	RM	RM
Carrying amount		
Investment properties		
- freehold land and buildings	226,486	232,466
- leasehold podium retail, office lots and apartment	250,273,292	253,706,713
- leasehold shopping mall and car park podium	329,875,493	337,391,608
	<u>580,375,271</u>	<u>591,330,787</u>

5. **Investment Properties (Cont'd)**

	Group	
	2024	2023
	RM	RM
Cost		
At 1 January/31 December	703,964,173	703,964,173
Disposal	(1,640,000)	-
At 31 December	<u>702,324,173</u>	<u>703,964,173</u>
Accumulated depreciation		
At 1 January	107,945,268	94,448,057
Disposal	(134,960)	-
Depreciation for the financial year	13,572,643	13,497,211
At 31 December	<u>121,382,951</u>	<u>107,945,268</u>
Accumulated impairment losses		
At 1 January	4,688,118	11,813,176
Disposal	(106,440)	-
Impairment loss reversed	(4,015,727)	(7,125,058)
At 31 December	<u>565,951</u>	<u>4,688,118</u>
Carrying amount		
At 31 December	<u>580,375,271</u>	<u>591,330,787</u>
 Fair value	 <u>610,972,040</u>	 <u>612,427,040</u>

(a) Fair value of investment properties

(i) Freehold land and buildings

The fair values of the investment properties of freehold land and buildings of the Group were estimated at RM581,040 (2023: RM581,040) respectively at Directors' valuation which were made based on current prices in an active market for the said properties. The most significant input into this valuation approach is price per square foot of comparable properties. The fair value is within level 2 of the fair value hierarchy.

5. Investment Properties (Cont'd)

(a) Fair value of investment properties (Cont'd)

(ii) Leasehold podium retail, office lots and apartment

The fair values of the investment properties of leasehold podium retail, office lots and apartment of the Group were estimated at RM253,891,000 (2023: RM255,846,000) by an independent professional valuer, registered with Board of Valuers, Appraisers and Estate Agents, based on both the comparison method and the income approach.

The comparison method was derived from sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as time, tenure, location, property condition and size. The most significant input into this valuation approach is price per square foot of comparable properties. The fair values are within Level 3 of the fair value hierarchy.

The income approach was derived from an estimate of the market rental which the investment properties can reasonably be let for. Outgoings are deducted from the annual rental income and thereafter, the net annual rental income is capitalised at an appropriate current market yield to arrive at its fair value. The fair values are within Level 3 of the fair value hierarchy.

(iii) Leasehold shopping mall and car park podium

The fair values of the investment properties of leasehold shopping mall and car park podium, of the Group were estimated at RM356,500,000 (2023: RM356,000,000) by an independent professional valuer, registered with Board of Valuers, Appraisers and Estate Agents, based on both the comparison method and the income approach.

The comparison method was derived from sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as time, tenure, location, property condition and size. The most significant input into this valuation approach is price per square foot of comparable properties. The fair values are within Level 3 of the fair value hierarchy.

The income approach was derived from an estimate of the market rental which the investment properties can reasonably be let for. Outgoings are deducted from the annual rental income and thereafter, the net annual rental income is capitalised at an appropriate current market yield to arrive at its fair value. The fair values are within Level 3 of the fair value hierarchy.

5. Investment Properties (Cont'd)

(a) Fair value of investment properties (Cont'd)

The Level 3 inputs (unobservable inputs) include:

Income approach

- Term rental - the expected rental that the investment properties are expected to achieve and is derived from the current passing rental, including revision upon renewal of tenancies during the year;
- Reversionary rental - the expected rental that the investment properties are expected to achieve upon expiry of term rental;
- Outgoings - comprising assessment and quit rent, utilities costs, repair and maintenance, insurance premium and management expenses;
- Capitalisation rate - based on actual location, size condition of the investment properties and taking into account market data at the valuation date based on the valuer's knowledge of the factors specific to investment properties;
- Allowance for void - refers to allowance provided for vacancy periods, marketing and rent-free periods; estimated price per square feet for which a property should exchange on the date of valuation.

Comparison approach

- Price per square feet - between a willing buyer and a willing seller.

(b) Investment properties under leases

The Group has entered into commercial property leases on its shopping mall and car parks. Most of the leases contain a non-cancellable period from 2 years to 3 years. Subsequent renewals are negotiated with the lessees on an average renewal period of 2 years to 3 years. No contingent rents are charged.

(c) Investment properties pledged as securities to licensed banks

The investment properties of the Group of RM573,823,804 (2023: RM591,330,787) respectively have been pledged to secure the bank borrowings granted to the Group as disclosed in Note 21.

5. Investment Properties (Cont'd)

(d) Income and expenses recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2024	2023
	RM	RM
Lease income	15,108,931	11,309,103
Direct operating expenses		
- Income generating investment properties	12,281,723	12,629,582
- Non-income generating investment properties	664	820

- (e) The impairment is provided using the fair value calculation by comparing the carrying amount of the investment property with its fair value which estimated by an independent professional valuer.

The impairment loss was recognised in administrative expenses in the statements of profit or loss and other comprehensive income.

6. Right-of-Use Assets

	Land and buildings RM	Motor vehicles RM	Total RM
Group			
2024			
Cost			
At 1 January	163,103	2,807,777	2,970,880
Additions	-	357,772	357,772
Lease modification	84,550	-	84,550
At 31 December	<u>247,653</u>	<u>3,165,549</u>	<u>3,413,202</u>
Accumulated depreciation			
At 1 January	68,564	851,086	919,650
Charge for the financial year	85,372	481,581	566,953
At 31 December	<u>153,936</u>	<u>1,332,667</u>	<u>1,486,603</u>
Carrying amount			
At 31 December	<u>93,717</u>	<u>1,832,882</u>	<u>1,926,599</u>

6. Right-of-Use Assets (Cont'd)

	Land and buildings RM	Motor vehicles RM	Total RM
Group			
2023			
Cost			
At 1 January	1,531,281	848,396	2,379,677
Additions	143,443	1,959,381	2,102,824
Expiration of lease agreements	(1,511,621)	-	(1,511,621)
At 31 December	<u>163,103</u>	<u>2,807,777</u>	<u>2,970,880</u>
Accumulated depreciation			
At 1 January	1,488,896	545,711	2,034,607
Charge for the financial year	91,289	305,375	396,664
Expiration of lease agreements	(1,511,621)	-	(1,511,621)
At 31 December	<u>68,564</u>	<u>851,086</u>	<u>919,650</u>
Carrying amount			
At 31 December	<u>94,539</u>	<u>1,956,691</u>	<u>2,051,230</u>
			Motor vehicles RM
Company			
2024			
Cost			
At 1 January/At 31 December			<u>2,377,381</u>
Accumulated depreciation			
At 1 January			601,788
Charge for the financial year			<u>391,876</u>
At 31 December			<u>993,664</u>
Carrying amount			
At 31 December			<u>1,383,717</u>

6. Right-of-Use Assets (Cont'd)

	Motor vehicles RM
Company	
2023	
Cost	
At 1 January	418,000
Additions	1,959,381
At 31 December	<u>2,377,381</u>
Accumulated depreciation	
At 1 January	362,267
Charge for the financial year	239,521
At 31 December	<u>601,788</u>
Carrying amount	
At 31 December	<u>1,775,593</u>

(a) Purchase of right-of-use assets

The aggregate additional cost for the right-of-use assets of the Group during the financial year acquired under lease liability and cash payment are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Aggregate costs	357,772	2,102,824	-	1,959,381
Less: Lease liability recognised	<u>(305,459)</u>	<u>(1,793,443)</u>	-	<u>(1,650,000)</u>
Cash payments	<u>52,313</u>	<u>309,381</u>	-	<u>309,381</u>

7. Investment in Subsidiary Companies

	Company	
	2024	2023
	RM	RM
In Malaysia:		
Unquoted shares, at cost	257,776,705	237,776,705
Less: Accumulated impairment losses	(167,222,255)	(167,222,255)
	<u>90,554,450</u>	<u>70,554,450</u>
Outside Malaysia:		
Unquoted shares, at cost	10	10
	<u>90,554,460</u>	<u>70,554,460</u>
Capital contribution to a subsidiary company	529,927,272	544,443,299
	<u>620,481,732</u>	<u>614,997,759</u>

Capital contribution to a subsidiary company refers to advance amount of which the Company does not expect repayment in the foreseeable future and is considered as part of the Company's investment in a subsidiary company.

Movements in the allowance for impairment losses are as follows:

	Company	
	2024	2023
	RM	RM
At 1 January	167,222,255	81,222,255
Impairment during the financial year	-	86,000,000
At 31 December	<u>167,222,255</u>	<u>167,222,255</u>

During the year, the Company conducted a review of the recoverable amount of its investment in subsidiary companies. The recoverable amounts are determined using the fair value less cost of disposal approach, and they are derived using adjusted net assets of the subsidiary company as at the end of the reporting period. The fair value is within level 3 of the fair value hierarchy. The review led to the recognition of an impairment loss of RM Nil (2023: RM86,000,000), which was recognized as other expenses in the statements of the profit or loss and other comprehensive income.

7. Investment in Subsidiary Companies (Cont'd)

(a) Details of the subsidiary companies are as follows:

Name of Company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2024 %	2023 %	
Direct holding:				
JAKS Sdn. Bhd. *	Malaysia	100	100	General contractor, supplier of building materials and car park operators
Pipe Technology System Sdn. Bhd. *	Malaysia	70	70	Pipe manufacturer. However, temporarily ceased operation
JAKS Steel Industries Sdn. Bhd. *	Malaysia	98.05	98.05	General trading of building materials and other steel related products
Empire Deluxe Sdn. Bhd. *	Malaysia	100	100	Investment holding
Golden Keen Holdings Limited	British Virgin Islands	100	100	General contractor
JAKS Power Holding Limited	British Virgin Islands	100	100	Investment holding
JAKS Offshore Sdn. Bhd. *	Malaysia	51	51	Offshore drilling, oil, gas and general trading. However, not commenced operation
Harbour Town Sdn. Bhd.	Malaysia	100	100	Investment holding
Premier Place Property Sdn. Bhd.	Malaysia	100	100	Property development However, temporarily ceased operation

7. Investment in Subsidiary Companies (Cont'd)

(a) Details of the subsidiary companies are as follows: (Cont'd)

Name of Company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2024 %	2023 %	
Direct holding: (Cont'd)				
Harbour Front Development Sdn. Bhd.	Malaysia	100	100	Property development. However, not commenced operation
JAKS Solar Power Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding
Angkasa Prospek Sdn. Bhd.	Malaysia	100	-	Investment holding
Hijau Bakti Sdn. Bhd.	Malaysia	100	-	Investment holding
Indirect holding: <i>Subsidiary companies of JAKS Sdn. Bhd.</i>				
JAKS Consortium Sdn. Bhd.	Malaysia	100	100	Investment holding and supply of products for water supply industry. However, temporarily ceased operation in supply of products for water supply industry
JAKS Marketing Sdn. Bhd. *	Malaysia	100	100	General trading of steel and construction related products. However, temporarily ceased operation
JAKS Power Sdn. Bhd.	Malaysia	100	100	Investment holding
Fortress Pavilion Sdn. Bhd.	Malaysia	51	51	Investment holding and property asset management

7. Investment in Subsidiary Companies (Cont'd)

(a) Details of the subsidiary companies are as follows: (Cont'd)

Name of Company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2024 %	2023 %	
Indirect holding: (Cont'd)				
<i>Subsidiary company of JAKS Consortium Sdn. Bhd.</i>				
Integrated Pipe Industries Sdn. Bhd.	Malaysia	70	70	Manufacturing and trading of water pipes. However, temporarily ceased manufacturing operation
<i>Subsidiary company of Empire Deluxe Sdn. Bhd.</i>				
Wing Tiek Ductile Iron Pipe Sdn. Bhd. *	Malaysia	100	100	Manufacturing and trading of butt welding pipe fitting products and steel elbow joints. However, temporarily ceased operation
<i>Subsidiary company of Harbour Town Sdn. Bhd.</i>				
MNH Global Assets Management Sdn. Bhd. Δ	Malaysia	51	51	Investment holding and management of mall
<i>Subsidiary company of MNH Global Assets Management Sdn. Bhd.</i>				
Evolve Concept Mall Sdn. Bhd.	Malaysia	51	51	Operation of mall

7. Investment in Subsidiary Companies (Cont'd)

(a) Details of the subsidiary companies are as follows: (Cont'd)

Name of Company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2024 %	2023 %	
Indirect holding: (Cont'd)				
<i>Subsidiary companies of JAKS Solar Power Holdings Sdn. Bhd.</i>				
JAKS Solar Power Sdn. Bhd.	Malaysia	100	100	Renewable energy and investment holding
JAKS Solar Land Sdn. Bhd.	Malaysia	100	100	General trading and construction. However, temporarily ceased operation
<i>Subsidiary company of JAKS Solar Power Sdn. Bhd.</i>				
JAKS Solar Nibong Tebal Sdn. Bhd. Δ	Malaysia	100	100	Construction of power plants and operation of generation facilities that produce electric energy
JANS Solar Holdings Sdn. Bhd. **	Malaysia	51	51	Investment holding
<i>Subsidiary company of JANS Solar Holdings Sdn. Bhd.</i>				
JANS Solar (Nibong Tebal) Sdn. Bhd.**	Malaysia	51	51	Investment holding

* Not audited by UHY Malaysia PLT.

** Newly incorporated, consolidated based on management account.

Δ The shares held in this subsidiary company are pledged to bank for bank borrowings granted to the Group as disclosed in Note 21.

7. Investment in Subsidiary Companies (Cont'd)

(b) Material partly-owned subsidiary companies

Financial information of subsidiary companies that have material non-controlling interest are provided below:

Proportion of equity interest held by non-controlling interest in:

Name of Company	Place of business/ Country of incorporation	Proportion of ownership interest	
		2024 %	2023 %
MNH Global Assets Management Sdn. Bhd. ("MNH")	Malaysia	49	49
Fortress Pavilion Sdn. Bhd. ("FP")	Malaysia	49	49
		Group	
		2024 RM	2023 RM
Accumulated balances of material non-controlling interest:			
MNH		(46,802,952)	(34,806,931)
FP		(30,671,122)	(26,150,315)
Other individually immaterial non-controlling interest		(621,005)	(556,599)
		<u>(78,095,079)</u>	<u>(61,513,845)</u>
Total comprehensive loss allocated to material non-controlling interest:			
MNH		(12,043,522)	(315,255)
FP		(4,520,807)	(3,258,495)
Other individually immaterial non-controlling interest		(17,395)	(1,372,966)
		<u>(16,581,724)</u>	<u>(4,946,716)</u>

7. Investment in Subsidiary Companies (Cont'd)

(b) Material partly-owned subsidiary companies (Cont'd)

Summarised financial information for these subsidiary companies that have material non-controlling interest (amounts before intra-group eliminations) is as follows:

Summarised statements of profit or loss and other comprehensive income for the financial year ended 31 December 2024

	MNH RM	FP RM	Total RM
Revenue	8,067,077	5,647,354	13,714,431
Expenses including taxation	(31,600,135)	(14,873,491)	(46,473,626)
Net loss for the financial year, representing total comprehensive loss for the financial year	(23,533,058)	(9,226,137)	(32,759,195)
Attributable to:			
Non-controlling interest	(12,043,522)	(4,520,807)	(16,564,329)
Other individually immaterial non-controlling interest			(17,395)
Total non-controlling interest			(16,581,724)

Summarised statements of profit or loss and other comprehensive income for the financial year ended 31 December 2023

	MNH RM	FP RM	Total RM
Revenue	6,096,978	4,167,025	10,264,003
Expenses including taxation	(6,740,356)	(10,817,016)	(17,557,372)
Net loss for the financial year, representing total comprehensive loss for the financial year	(643,378)	(6,649,991)	(7,293,369)
Attributable to:			
Non-controlling interest	(315,255)	(3,258,495)	(3,573,750)
Other individually immaterial non-controlling interest			(1,372,966)
Total non-controlling interest			(4,946,716)

7. **Investment in Subsidiary Companies (Cont'd)**

(b) Material partly-owned subsidiary companies (Cont'd)

Summarised statements of financial position as at 31 December 2024

	MNH RM	FP RM	Total RM
Non-current assets	316,732,296	229,802,061	546,534,357
Current assets	19,618,583	1,866,986	21,485,569
Total assets	<u>336,350,879</u>	<u>231,669,047</u>	<u>568,019,926</u>
Current liabilities	247,545,553	251,628,106	499,173,659
Non-current liabilities	184,418,493	42,635,068	227,053,561
Total liabilities	<u>431,964,046</u>	<u>294,263,174</u>	<u>726,227,220</u>
Total equity	<u>(95,613,167)</u>	<u>(62,594,127)</u>	<u>(158,207,294)</u>
Attributable to:			
Non-controlling interest	(46,802,952)	(30,671,122)	(77,474,074)
Other individually immaterial non-controlling interest			(621,005)
Total non-controlling interest			<u>(78,095,079)</u>

Summarised statements of financial position as at 31 December 2023

	MNH RM	FP RM	Total RM
Non-current assets	324,605,814	232,040,920	556,646,734
Current assets	5,764,090	910,656	6,674,746
Total assets	<u>330,369,904</u>	<u>232,951,576</u>	<u>563,321,480</u>
Current liabilities	204,961,046	221,684,498	426,645,544
Non-current liabilities	196,443,411	64,635,068	261,078,479
Total liabilities	<u>401,404,457</u>	<u>286,319,566</u>	<u>687,724,023</u>
Total equity	<u>(71,034,553)</u>	<u>(53,367,990)</u>	<u>(124,402,543)</u>
Attributable to:			
Non-controlling interest	(34,806,931)	(26,150,315)	(60,957,246)
Other individually immaterial non-controlling interest			(556,599)
Total non-controlling interest			<u>(61,513,845)</u>

7. Investment in Subsidiary Companies (Cont'd)**(b) Material partly-owned subsidiary companies (Cont'd)**Summarised statements of cash flows for the financial year ended 31 December 2024

	MNH RM	FP RM
Operating activities	(7,766,178)	(8,476,031)
Investing activities	(12,009,262)	-
Financing activities	20,460,264	9,026,550
Net increase in cash and cash equivalents during the financial year	<u>684,824</u>	<u>550,519</u>

Summarised statements of cash flows for the financial year ended 31 December 2023

	MNH RM	FP RM
Operating activities	(5,295,672)	(8,093,204)
Investing activities	12,029,606	2,967,155
Financing activities	(6,386,970)	4,598,374
Net increase/(decrease) in cash and cash equivalents during the financial year	<u>346,964</u>	<u>(527,675)</u>

(c) Incorporation of subsidiary companies

On 12 September 2023, JAKS Solar Power Holdings Sdn. Bhd. ("JSPHSB"), a wholly-owned subsidiary company of the Company, had subscribed 100 ordinary shares in JANS Solar Holdings Sdn. Bhd. ("JSHSB") for a total consideration of RM100 only.

On 31 October 2023, JAKS Solar Power Sdn. Bhd. ("JSPSB"), a wholly-owned subsidiary company of the JSPHSB, had acquired 100 shares in JSHSB from JSPHSB for a total consideration of RM100 only. Consequently, JSHSB became a direct wholly-owned subsidiary company of the JSPSB.

On 20 September 2023, JSHSB had subscribed 100 ordinary shares of JANS Solar (Nibong Tebal) Sdn. Bhd. ("JS(NT)SB"), for a total consideration of RM100 only. Consequently, JS(NT)SB became a direct wholly-owned subsidiary company of the JSHSB.

7. Investment in Subsidiary Companies (Cont'd)**(c) Incorporation of subsidiary companies**

On 3 May 2024, the Company incorporated a wholly-owned subsidiary company in Malaysia under the name of Angkasa Prospek Sdn. Bhd. With an initial paid up share capital of RM1 comprising of 1 ordinary share.

On 16 May 2024, the Company incorporated a wholly-owned subsidiary company in Malaysia under the name of Hijau Bakti Sdn. Bhd. With an initial paid up share capital of RM1 comprising of 1 ordinary share.

(d) Additional investment in a subsidiary company

On 21 November 2023, JSHSB, a wholly-owned subsidiary company of the Company had increased its share capital from RM100 to RM1,000. JSPSB had subscribed for an additional 410 shares in JSHSB for a total cash consideration of RM410. Consequently, JSPSB holds 510 ordinary shares in JSHSB. The remaining shares of 390 and 100 are held by Ann Joo Green Energy Sdn. Bhd. and Fabulous Sunview Sdn. Bhd. respectively.

On 5 December 2024, JAKS Sdn. Bhd. ("JSB"), a wholly-owned subsidiary company of the Company, has increased its share capital from RM10,000,000 to RM30,000,000. The Company had subscribed for an additional 20,000,000 shares in JSB for a total cash consideration of RM20,000,000. Consequently, JSB remains as a wholly-owned subsidiary company of the Company.

8. Investment in Joint Ventures ("JV")

	Group	
	2024	2023
	RM	RM
Unquoted shares, at cost		
- Outside Malaysia	577,957,598	577,957,598
Share of post-acquisition reserve	428,093,613	333,872,563
Exchange differences	(7,378,254)	(7,378,254)
	<u>998,672,957</u>	<u>904,451,907</u>

8. Investment in Joint Ventures (“JV”) (Cont’d)

(a) Details of the joint ventures are as follows:

Name of JV	Place of business/ Country of Incorporation	Effective Economic Interest		Principal activities
		2024 %	2023 %	
JV held through JAKS Power Holding Limited ("JPH")				
JAKS Pacific Power Limited* ("JPP")	Hong Kong	30	30	Investment holding
Indirect JV held through JAKS Pacific Power Limited				
JAKS Hai Duong Power Company Limited* ("JHDP")	Vietnam	30	30	Develop and operate coal-fired thermal power plant

* Not audited by UHY Malaysia PLT.

8. Investment in Joint Ventures (“JV”) (Cont’d)

(b) Summarised financial information of the Group’s material joint venture i.e. JAKS Pacific Power Limited and its subsidiary company (“JPP Group”) is set out below:

(i) Summarised adjusted statements of financial position as at 31 December

	JPP Group	
	2024	2023
	RM	RM
Cash and cash equivalent	245,709,441	557,171,146
Other current assets	738,268,494	744,836,036
Non-current assets	6,803,891,509	7,281,486,434
Current financial liabilities (excluding trade and other payables and provisions)	(594,509,955)	(711,609,518)
Other current liabilities	(423,335,592)	(585,176,629)
Non-current financial liabilities (excluding trade and other payables and provisions)	(3,280,914,747)	(3,972,787,018)
Net assets	<u>3,489,109,150</u>	<u>3,313,920,451</u>

(ii) Summarised adjusted statements of profit or loss and other comprehensive income for the financial year ended 31 December

	JPP Group	
	2024	2023
	RM	RM
Adjusted profit for the financial year, representing total comprehensive income for the financial year	<u>405,314,211</u>	<u>436,865,607</u>
Included in total comprehensive income are:		
Revenue	2,530,017,099	2,615,472,587
Amortisation/Depreciation	(342,140,022)	(327,852,531)
Interest income	4,154,020	3,176,777
Interest expense	(365,278,319)	(469,976,824)
Taxation	<u>(42,039,099)</u>	<u>(6,504)</u>

8. Investment in Joint Ventures (“JV”) (Cont’d)

- (b) Summarised financial information of the Group’s material joint venture i.e. JAKS Pacific Power Limited and its subsidiary company (“JPP Group”) is set out below:
(Cont’d)

- (iii) Reconciliation of net assets to carrying amount as at 31 December

	JPP Group	
	2024	2023
	RM	RM
Interest in joint venture	30%	30%
Group’s share of net assets	1,046,732,745	994,176,135
Share of other net asset changes	(51,885,850)	(93,550,290)
Goodwill	3,826,062	3,826,062
Carrying value of Group’s interest in joint ventures	<u>998,672,957</u>	<u>904,451,907</u>

- (iv) Group’s share of results for the financial year ended 31 December

	JPP Group	
	2024	2023
	RM	RM
Group's share of profit or loss, representing Group's share of total comprehensive income for the financial year	<u>121,594,264</u>	<u>131,059,683</u>

- (v) Other information

	JPP Group	
	2024	2023
	RM	RM
Dividends received by the Group	<u>27,373,214</u>	<u>27,386,409</u>

9. Interest in Joint Operations

The details of the joint operations are as follows:

Name of joint operations	Place of business/ Country of incorporation	Effective Economic interest		Principal activities
		2024 %	2023 %	
KACC-JAKS Joint Venture	Malaysia	50	50	Construction
JAKS-KACC Joint Venture	Malaysia	50	50	Construction
JAVEL-JAKS Joint Venture	Malaysia	50	50	Construction

10. Goodwill on Consolidation

	Group	
	2024 RM	2023 RM
Cost		
At 1 January/31 December	<u>211,092,762</u>	<u>211,092,762</u>
Accumulated impairment loss		
At 1 January	211,092,762	187,592,762
Impairment for the financial year	-	23,500,000
At 31 December	<u>211,092,762</u>	<u>211,092,762</u>
Carrying amount		
At 31 December	<u>-</u>	<u>-</u>

In the previous financial year, based on management's impairment review for the construction cash generating units ("CGU"), the recoverable amount is lower than the carrying amount of the CGU. An impairment loss of RM23,500,000 was recognised during the previous financial year. The impairment loss was recognised in administrative expenses in the statements of profit or loss and other comprehensive income.

11. Golf Club Memberships

	Group	
	2024	2023
	RM	RM
Non-current		
At cost		
At 1 January/31 December	600,000	600,000
Less: Accumulated amortisation		
At 1 January	142,109	134,214
Amortisation for the financial year	7,893	7,895
At 31 December	150,002	142,109
Less: Accumulated impairment loss		
At 1 January/31 December	171,051	171,051
Carrying amount		
At 31 December	278,947	286,840

The golf club membership is amortised over the period of 77 years which expires on 31 December 2082.

12. Amount Due from/(to) Subsidiary Companies

	Company	
	2024	2023
	RM	RM
Amount due from subsidiary companies:		
<u>Non-interest bearing</u>		
Non-trade	894,412,250	811,117,847
Less: Accumulated impairment losses	(194,436,048)	(185,831,185)
	699,976,202	625,286,662
Presented as:		
Non-current	562,458,301	488,413,020
Current	137,517,901	136,873,642
	699,976,202	625,286,662

12. Amount Due from/(to) Subsidiary Companies (Cont'd)

	Company	
	2024	2023
	RM	RM
Amount due to subsidiary companies:		
<u>Non-interest bearing</u>		
Non-trade	(125,804,278)	(71,820,316)

Amount due from/(to) subsidiary companies are unsecured and repayable on demand.

Movements in the allowance for impairment losses are as follows:

	Company	
	2024	2023
	RM	RM
As at 1 January	185,831,185	179,151,094
Impairment losses recognised	10,637,211	6,680,091
Impairment losses reversed	(2,032,348)	-
At 31 December	194,436,048	185,831,185

The loss allowance account in respect of amount due from subsidiary companies is used to record loss allowance. Unless the Group and the Company are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

13. Inventories

	Group	
	2024	2023
	RM	RM
Current		
Completed properties	483,400	483,400

14. **Contract Assets**

	Group	
	2024 RM	2023 RM
Contract costs incurred to date	3,643,626,475	3,600,311,219
Attributable profits	<u>570,345,502</u>	<u>623,889,598</u>
	4,213,971,977	4,224,200,817
Less: Progress billings	(4,116,185,324)	(4,119,348,273)
Exchange differences	1,540,948	1,540,948
Less : Accumulated impairment losses	<u>(4,229,856)</u>	<u>(4,363,440)</u>
	<u>95,097,745</u>	<u>102,030,052</u>
Presented as:		
Contract assets	<u>95,097,745</u>	<u>102,030,052</u>
Advances received from customer (included in other payables)	<u>698,397</u>	<u>25,377,230</u>
Retention sums on contracts (included in trade receivables)	<u>29,434,539</u>	<u>58,465,582</u>

As of the reporting date, revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) is RM17,066,647 (2023: RM95,310,549). The Group expects to recognise this revenue as the construction contracts are completed, which is expected to occur over the next 12 months (2023: over the next 12 to 24 months).

14. Contract Asset (Cont'd)

Movements in the allowance for impairment losses are as follows:

	Lifetime Allowance RM
Group	
2024	
At 1 January	4,363,440
Impairment losses reversed	<u>(133,584)</u>
At 31 December	<u><u>4,229,856</u></u>
2023	
At 1 January	-
Impairment losses recognised	<u>4,363,440</u>
At 31 December	<u><u>4,363,440</u></u>

The loss allowance account in respect of contract assets is used to record loss allowance. Unless the Group and the Company are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the contract assets directly.

15. Trade Receivables

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Trade receivables				
- Third parties	131,306,239	152,841,533	8,772,286	8,772,286
- A joint venture	<u>124,176,301</u>	<u>129,105,119</u>	<u>-</u>	<u>-</u>
	255,482,540	281,946,652	8,772,286	8,772,286
Less: Accumulated impairment losses	<u>(94,801,845)</u>	<u>(56,273,356)</u>	<u>(8,772,286)</u>	<u>(8,772,286)</u>
	<u><u>160,680,695</u></u>	<u><u>225,673,296</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Trade receivables are non-interest bearing and are generally on 14 to 90 days (2023: 14 to 90 days) term. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

15. Trade Receivables (Cont'd)

The Group and the Company have other credit term and assessed and approved on a case to case basis, no concentration of credit risk except for the amounts owing by two (2023: five) and one (2023: one) which constituted approximately 63% (2023: 67%) and 91% (2023: 91%) of its trade receivables respectively as at the end of the reporting period.

Included in the trade receivables of the Group are the retention sum amounting to RM124,701,392 (2023: RM134,350,606).

Included in trade receivables of the Group are:

	Group	
	2024	2023
	RM	RM
Amount due from:		
- A former subsidiary company	36,411,902	36,411,902
- An entity jointly controlled by Directors of a subsidiary company	4,727,444	4,727,444
- An entity which is a non-controlling interests of certain subsidiary companies	13,818,143	13,733,506

Movements in the allowance for impairment losses are as follows:

	Credit Impaired RM	Lifetime Allowance RM	Net amount RM
Group			
2024			
At 1 January	53,743,811	2,529,545	56,273,356
Impairment losses recognised	41,206,053	363,882	41,569,935
Impairment losses reversed	(1,538,977)	(1,502,469)	(3,041,446)
At 31 December	93,410,887	1,390,958	94,801,845
2023			
At 1 January	24,226,559	25,443,616	49,670,175
Reclassification	24,851,270	(24,851,270)	-
Impairment losses recognised	6,764,107	1,937,199	8,701,306
Impairment losses reversed	(2,098,125)	-	(2,098,125)
At 31 December	53,743,811	2,529,545	56,273,356

15. Trade Receivables (Cont'd)

Movements in the allowance for impairment losses are as follows: (Cont'd)

	Credit Impaired RM	Lifetime Allowance RM	Net amount RM
Company			
2024			
At 1 January/31 December	<u>8,772,286</u>	<u>(8,772,286)</u>	<u>-</u>
2023			
At 1 January/31 December	<u>8,772,286</u>	<u>(8,772,286)</u>	<u>-</u>

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group and the Company are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The aged analysis of trade receivables as at the end of the reporting period:

	Gross amount RM	Loss allowance RM	Net amount RM
Group			
2024			
Neither past due nor impaired	96,780,775	-	96,780,775
Past due not impaired:			
Less than 30 days	1,190,436	(497)	1,189,939
31 to 60 days	191,439	(2,853)	188,586
61 to 90 days	115,198	-	115,198
More than 90 days	63,793,805	(1,387,608)	62,406,197
	65,290,878	(1,390,958)	63,899,920
Credit impaired:			
More than 90 days	93,410,887	(93,410,887)	-
	<u>255,482,540</u>	<u>(94,801,845)</u>	<u>160,680,695</u>

15. Trade Receivables (Cont'd)

The aged analysis of trade receivables as at the end of the reporting period: (Cont'd)

	Gross amount RM	Loss allowance RM	Net amount RM
Group			
2023			
Neither past due nor impaired	136,211,946	-	136,211,946
Past due not impaired:			
Less than 30 days	1,470,600	(562)	1,470,038
31 to 60 days	172,602	(1,484)	171,118
61 to 90 days	428,949	(1,841)	427,108
More than 90 days	89,918,744	(2,525,658)	87,393,086
	91,990,895	(2,529,545)	89,461,350
Credit impaired:			
More than 90 days	53,743,811	(53,743,811)	-
	<u>281,946,652</u>	<u>(56,273,356)</u>	<u>225,673,296</u>
Company			
2024			
Credit impaired:			
More than 90 days	<u>8,772,286</u>	<u>(8,772,286)</u>	<u>-</u>
2023			
Credit impaired:			
More than 90 days	<u>8,772,286</u>	<u>(8,772,286)</u>	<u>-</u>

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group and the Company.

As at 31 December 2024, trade receivables of the Group of RM63,899,920 (2023: RM89,461,350) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The trade receivables of the Group and of the Company that are individually assessed to be impaired amounting to RM93,410,887 (2023: RM53,743,811) and RM8,772,286 (2023: RM8,772,286) respectively, related to customers that are in financial difficulties and have defaulted on payments.

16. Other Receivables

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Other receivables	223,711,502	244,518,946	-	-
Deposits	41,979,276	45,890,299	276,796	276,796
Prepayments	16,752,930	11,289,524	49,024	66,764
Dividend receivable	-	-	13,410,000	-
	282,443,708	301,698,769	13,735,820	343,560
Less: Accumulated impairment losses - Other receivables	(124,518,899)	(109,779,047)	-	-
	<u>157,924,809</u>	<u>191,919,722</u>	<u>13,735,820</u>	<u>343,560</u>

Included in other receivables of the Group are an amount of RM37,242,200 (2023: RM37,242,200) due from a former subsidiary company. The amount is unsecured, interest free and repayable on demand.

Movements in the allowance for impairment losses are as follows:

	Credit Impaired RM	Lifetime Allowance RM	Net amount RM
Group			
2024			
At 1 January	108,024,440	1,754,607	109,779,047
Impairment losses recognised	7,150,344	7,591,758	14,742,102
Impairment losses reversed	-	(2,250)	(2,250)
At 31 December	<u>115,174,784</u>	<u>9,344,115</u>	<u>124,518,899</u>
2023			
At 1 January	37,315,848	47,155,360	84,471,208
Reclassification	46,753,178	(46,753,178)	-
Impairment losses recognised	25,156,754	2,511,503	27,668,257
Impairment losses reversed	(1,201,340)	(1,159,078)	(2,360,418)
At 31 December	<u>108,024,440</u>	<u>1,754,607</u>	<u>109,779,047</u>

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments.

17. Amount Due from Joint Ventures

	Group	
	2024	2023
	RM	RM
<u>Non-interest bearing</u>		
Non-trade	10,611,083	10,617,274
Less: Accumulated impairment losses	(325,901)	(325,901)
	<u>10,285,182</u>	<u>10,291,373</u>

Amount due from joint ventures are unsecured and repayable on demand.

Movements in the allowance for impairment losses are as follows:

	Group	
	2024	2023
	RM	RM
As at 1 January/31 December	<u>325,901</u>	<u>325,901</u>

18. Deposits Placed with Licensed Banks, and Cash and Bank Balances

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Housing development accounts (a)	221,052	221,052	-	-
Project development accounts	8,801	8,801	-	-
Debt service reserve accounts (b)	9,784,248	8,363,897	-	-
Revenue accounts	6,047,197	904,392	-	-
Cash and bank balances	<u>41,049,368</u>	<u>32,304,926</u>	<u>18,054,855</u>	<u>27,755,140</u>
Total cash and bank balances	57,110,666	41,803,068	18,054,855	27,755,140
Deposits placed with licensed banks (c)	<u>24,296,264</u>	<u>22,221,624</u>	<u>-</u>	<u>83,793</u>
Total deposits, placed with licensed banks, and cash and bank balances	<u>81,406,930</u>	<u>64,024,692</u>	<u>18,054,855</u>	<u>27,838,933</u>

18. Deposits Placed with Licensed Banks, and Cash and Bank Balances (Cont'd)

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Balances brought forward	81,406,930	64,024,692	18,054,855	27,838,933
Less: Deposits pledged (Note 21)				
Deposits placed with licensed banks				
- with tenures of less than 3 months	(147,995)	(10,509,331)	-	(83,793)
- with tenures of more than 3 months	(24,148,269)	(11,712,293)	-	-
	(24,296,264)	(22,221,624)	-	(83,793)
Debt service reserve accounts	(9,784,248)	(8,363,897)	-	-
Project development accounts	(8,801)	(8,801)	-	-
Revenue accounts	(6,047,197)	(904,392)	-	-
Less: Bank overdraft	(5,605,212)	(5,910,951)	-	-
Cash and cash equivalents	<u>35,665,208</u>	<u>26,615,027</u>	<u>18,054,855</u>	<u>27,755,140</u>

- (a) Housing Development Accounts are maintained pursuant to the Housing Development (Control and Licensing) Act, 1966 in connection with the Group's property development projects. The utilisation of these balances is restricted before completion of the housing development projects and fulfilling all relevant obligations to the purchasers and therefore restricted from use in other operations.
- (b) Debt Service Reserve Account is relating Escrow Account and Operating Account.
- (c) The effective interest rates for the Group's deposits range from 1.30% to 3.05% (2023: 1.30% to 2.75%) per annum with maturity period range from 1 to 12 months (2023: 1 to 12 months).

19. Share Capital

	Group and Company			
	Number of shares		Amount	
	2024	2023	2024	2023
	Unit	Unit	RM	RM
Ordinary share with no par value				
Issued and fully paid:				
At 1 January	2,369,850,544	2,090,317,607	1,125,104,930	1,074,143,409
Exercise of warrants	-	1,237	-	730
Issuance of shares under private placement	236,985,000	209,031,700	29,845,325	38,270,791
Issuance of shares under share grant plan	-	70,500,000	-	12,690,000
At 31 December	<u>2,606,835,544</u>	<u>2,369,850,544</u>	<u>1,154,950,255</u>	<u>1,125,104,930</u>

During the financial year, the Company issued:

- (a) 180,700,000 placement shares at an issue price of RM0.1200 each under Private Placement; and
- (b) 56,285,000 placement shares at an issue price of RM0.1450 each under Private Placement.

In the previous financial year, the Company issued:

- (a) 129,017,000 placement shares at an issue price of RM0.185 each under Private Placement; and
- (b) 80,014,700 placement shares at an issue price of RM0.18 each under Private Placement; and
- (c) 1,237 new ordinary shares at an exercise price of RM0.34 each pursuant to the exercise of Warrant B; and
- (d) 70,500,000 new ordinary shares pursuant to Company's Share Grant Plan ("SGP") under Long Term Incentive Plan ("LTIP").

The new shares issued shall rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meeting of the Company.

20. Reserves

	Note	Group		Company	
		2024	2023	2024	2023
		RM	RM	RM	RM
Non-distributable					
Translation reserves	(a)	(6,964,829)	(5,785,753)	-	-
LTIP reserves	(b)	11,198,100	11,198,100	11,198,100	11,198,100
Warrants reserves	(c)	215,481,610	215,481,610	215,481,610	215,481,610
Other reserves		(215,481,610)	(215,481,610)	(215,481,610)	(215,481,610)
		<u>4,233,271</u>	<u>5,412,347</u>	<u>11,198,100</u>	<u>11,198,100</u>
Distributable					
Retained earnings		<u>392,090,148</u>	<u>349,343,529</u>	<u>24,025,260</u>	<u>34,874,743</u>
		<u>396,323,419</u>	<u>354,755,876</u>	<u>35,223,360</u>	<u>46,072,843</u>

(a) Foreign currency translation reserves

Foreign currency translation reserve represents the exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

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

The LTIP reserve comprises the cumulative value of employee services received for the issue of share options. When the option is exercised, the amount from the reserve is transferred to share capital. When the share options expire, the amount from the reserve is transferred to retained earnings. Share option is disclosed in Note 32.

(c) Warrants reserves**(i) Warrant B 2018/2023**

On 13 December 2018, the Company allotted and issued 102,428,430 new Warrant B 2018/2023 ("Warrants") at an issue price of RM0.25 per Warrant on the basis of 1 Warrant for every 2 existing ordinary shares held in the Company ("Right Issue of Warrants").

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 13 December 2023. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 13 December 2018 to 13 December 2023, at an exercise price of RM0.64 per Warrant in accordance with the Deed Poll dated 5 November 2018. Any Warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

20. Reserves (Cont'd)

(c) Warrants reserves (Cont'd)

(i) Warrant B 2018/2023 (Cont'd)

On 19 November 2020, the exercise price and the number of Warrant B 2018/2023 have been adjusted in accordance with the provisions of the Deed Poll as a result of the Rights Issue. The exercise price was adjusted from RM0.64 to RM0.34.

During the financial year, 1,237 warrants were exercised at the exercised price of RM0.34 each. As at 13 December 2023, 171,487,001 warrants were lapsed, the amount from the reserve is transferred to retained earnings.

The movements in the Company's Warrant B 2018/2023 are as follows:

	Number of Warrant B 2018/2023 (Unit)
At 1 January 2023	171,488,238
Exercised	(1,237)
Lapsed	<u>(171,487,001)</u>
At 31 December 2023	<u>-</u>

(ii) Warrant C 2020/2025

On 19 November 2020, the Company issued 540,050,650 free warrants pursuant to the Rights Issue on the basis of one (1) free warrant for every two (2) Rights Shares subscribed by the entitled shareholders of the Company.

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 18 November 2025. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 19 November 2020 to 18 November 2025, at an exercise price of RM0.49 per warrant in accordance with the Deed Poll dated 13 October 2020. Any warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

There were no movements in the Company's Warrant C 2020/2025 during the financial year. As at 31 December 2024, 525,564,900 warrants remained unexercised.

21. Bank Borrowings

	Group	
	2024	2023
	RM	RM
Secured		
Non-current liability		
Term loans	391,548,824	419,325,099
Current liabilities		
Term loans	41,862,263	41,101,427
Trade commodity financing	16,450,000	25,000,000
Bill payables	983,000	2,099,000
Bank overdrafts	5,605,212	5,910,951
	64,900,475	74,111,378
Total borrowings		
Term loans	433,411,087	460,426,526
Trade commodity financing	16,450,000	25,000,000
Bill payables	983,000	2,099,000
Bank overdrafts	5,605,212	5,910,951
	456,449,299	493,436,477

The maturity of bank borrowings is as follows:

	Group	
	2024	2023
	RM	RM
Within one year	64,900,475	74,111,378
Later than one year and not later than two years	42,380,016	41,754,154
Later than two years and not later than five years	225,611,496	261,874,177
Later than five years	123,557,312	115,696,768
	456,449,299	493,436,477

21. Bank Borrowings (Cont'd)

The range of interest rates per annum at the reporting date for borrowings were as follows:

	Group	
	2024	2023
	%	%
Term loans	3.50 - 7.65	3.50 - 7.65
Trade commodity financing	6.55 - 6.59	4.63 - 6.12
Bill payables	5.11 - 5.21	3.50 - 5.18
Bank overdrafts	<u>5.45 - 6.68</u>	<u>4.37 - 6.36</u>

The term loans, bill payables, trade commodity financing, factoring payables and bank overdrafts of the Group are secured by the following:

- (a) fixed charges over certain agricultural land and investment properties as disclosed in Note 4 and 5;
- (b) legal assignment of all cashflows, sale or tenancy agreements, insurance policies, construction contracts, construction guarantees and performance bonds in relation to a project developed by certain subsidiary companies;
- (c) fixed and floating charge over the present and future assets of certain subsidiary companies;
- (d) first legal charge over the equity acquired in a subsidiary company;
- (e) facilities agreements together with interest, commission and all other charges thereon;
- (f) assignment over proceeds under certain invoices, contracts, Letter of Notification and Letter of Instruction;
- (g) assignment of all dividends and/or distribution from a subsidiary company's shares;
- (h) negative pledge over certain subsidiary companies' assets both present and future;
- (i) corporate guarantees provided by the Company, a subsidiary company, and a non-controlling interest;
- (j) personal guarantee by certain Directors of subsidiary company;
- (k) deposits, debt service reserve, housing development account, project development account, escrow, operating account and revenue account as indicated in Note 18;

21. Bank Borrowings (Cont'd)

The term loans, bill payables, trade commodity financing, factoring payables and bank overdrafts of the Group are secured by the following: (Cont'd)

- (l) specific debenture by way of fixed and floating charge over investment properties as disclosed in Note 5;
- (m) lodgement of private caveat over strata titles of the investment properties as disclosed in Note 5;
- (n) legal assignment of the present and future proceeds from the car parks' and investment properties' rental income of certain subsidiary companies; and
- (o) first legal charge over all its unencumbered shares of a non-controlling interest of a subsidiary company.

22. Lease Liabilities

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
At 1 January	1,723,593	281,798	1,536,689	48,777
Additions	305,459	1,793,443	-	1,650,000
Lease modification	84,550	-	-	-
Payments	(492,467)	(351,648)	(305,679)	(162,088)
At 31 December	<u>1,621,135</u>	<u>1,723,593</u>	<u>1,231,010</u>	<u>1,536,689</u>
Presented as:				
Non-current	1,099,738	1,255,927	910,265	1,231,009
Current	<u>521,397</u>	<u>467,666</u>	<u>320,745</u>	<u>305,680</u>
	<u>1,621,135</u>	<u>1,723,593</u>	<u>1,231,010</u>	<u>1,536,689</u>

22. Lease Liabilities (Cont'd)

The maturity analysis of lease liabilities of the Group and of the Company at the end of the reporting period:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Within one year	585,111	535,328	368,304	368,304
Later than one year and not later than two years	935,388	395,904	736,608	368,304
Later than two years and not later than five years	226,832	963,440	226,832	963,440
	<u>1,747,331</u>	<u>1,894,672</u>	<u>1,331,744</u>	<u>1,700,048</u>
Less: Future finance charges	<u>(126,196)</u>	<u>(171,079)</u>	<u>(100,734)</u>	<u>(163,359)</u>
Present value of lease liabilities	<u>1,621,135</u>	<u>1,723,593</u>	<u>1,231,010</u>	<u>1,536,689</u>

The Group leases land and building and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

23. Deferred Tax Liabilities

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 January	29,778	66,774	-	-
Recognised in profit or loss	(36,670)	(36,826)	-	-
Under/(Over) provision in prior years	28,815	(170)	-	-
At 31 December	<u>21,923</u>	<u>29,778</u>	<u>-</u>	<u>-</u>

23. Deferred Tax Liabilities (Cont'd)

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follow:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Deferred tax liabilities	19,322,935	28,176,724	4,683	37,630
Deferred tax assets	(19,301,012)	(28,146,946)	(4,683)	(37,630)
	<u>21,923</u>	<u>29,778</u>	<u>-</u>	<u>-</u>

The movements and components of the deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Deferred tax liabilities				
Accelerated capital allowances				
At 1 January	28,176,724	104,653	37,630	5,805
Recognised in profit or loss	3,733,731	28,084,022	(17,324)	34,217
Over provision in prior years	(12,587,520)	(11,951)	(15,623)	(2,392)
At 31 December	<u>19,322,935</u>	<u>28,176,724</u>	<u>4,683</u>	<u>37,630</u>
Deferred tax assets				
Unabsorbed capital allowances				
At 1 January	(28,109,316)	(32,074)	-	-
Recognised in profit or loss	(3,792,408)	(28,084,562)	(4,683)	-
Under provision in prior years	12,600,712	7,320	-	-
At 31 December	<u>(19,301,012)</u>	<u>(28,109,316)</u>	<u>(4,683)</u>	<u>-</u>

23. Deferred Tax Liabilities (Cont'd)

The movements and components of the deferred tax liabilities and assets during the financial year prior to offsetting are as follows: (Cont'd)

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Deferred tax assets				
Unutilised tax losses				
At 1 January	(37,630)	(5,805)	(37,630)	(5,805)
Recognised in profit or loss	22,007	(36,286)	22,007	(34,217)
Under provision in prior years	15,623	4,461	15,623	2,392
At 31 December	-	(37,630)	-	(37,630)
	<u>(19,301,012)</u>	<u>(28,146,946)</u>	<u>(4,683)</u>	<u>(37,630)</u>

The deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unabsorbed capital allowances	18,302,769	9,688,133	3,254	-
Unutilised tax losses	308,104,785	259,848,265	993,425	565,094
Other deductible temporary differences	171,481,927	120,124,835	-	-
	<u>497,889,481</u>	<u>389,661,233</u>	<u>996,679</u>	<u>565,094</u>

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

24. Trade Payables

The normal trade credit terms granted to the Group range from 1 to 90 (2023: 1 to 90) days from date of invoice.

Included in the Group trade payables are the retention sum amounting to RM74,085,883 (2023: RM75,885,024).

25. Other Payables

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Other payables	79,207,221	86,132,661	723,255	873,642
Advance payment on construction contract	20,597,501	25,377,230		-
Deposits received	22,113,825	23,764,518	17,880,000	18,366,000
Liquidated ascertained damages and disputed performance liability	2,311,881	1,815,648	-	-
Accruals	68,726,571	94,603,233	1,716,023	1,559,159
Dividend payable	13,034,178	-	13,034,178	-
	<u>205,991,177</u>	<u>231,693,290</u>	<u>33,353,456</u>	<u>20,798,801</u>

Included in other payables of the Group is an amount of RM149,389 (2023: RM3,147,061) due to one (2023: one) payables which are jointly controlled by Directors of a subsidiary company. The amount is unsecured, interest free and repayable on demand.

Included in accruals of the Group is an amount of accrued development expenditure of RM37,378,921 (2023: RM37,378,921).

The movements in provision for liquidated ascertained damages and disputed performance liability are as follows:

	Group	
	2024	2023
	RM	RM
As at 1 January/31 December	<u>2,311,881</u>	<u>1,815,648</u>

25. Other Payables (Cont'd)

Provision for liquidated ascertained damages refers to liquidated ascertained damages expected to be claimed by the customers based on the terms of the applicable sale and purchase agreements.

26. Revenue

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Revenue from contract with customer:				
Construction contract works	5,771,353	20,403,450	-	-
Sale of electricity	18,791,344	7,602,292	-	-
Rendering of services	11,050,165	-	11,050,165	-
Management fees	-	-	7,800,000	7,800,000
	<u>35,612,862</u>	<u>28,005,742</u>	<u>18,850,165</u>	<u>7,800,000</u>
Revenue from other sources:				
Dividend income	-	-	26,916,980	-
Property investment	15,256,046	11,550,052	-	-
	<u>15,256,046</u>	<u>11,550,052</u>	<u>26,916,980</u>	<u>-</u>
	<u>50,868,908</u>	<u>39,555,794</u>	<u>45,767,145</u>	<u>7,800,000</u>
Timing of revenue recognition:				
Over time	<u>50,868,908</u>	<u>39,555,794</u>	<u>45,767,145</u>	<u>7,800,000</u>

26. Revenue (Cont'd)

Breakdown of the Group's revenue from contract with customers:

	Construction RM	Power energy RM	Others RM	Total RM
2024				
Major goods and services:				
Construction contract revenue	5,771,353	-	-	5,771,353
Sale of electricity	-	18,791,344	-	18,791,344
Rendering of services	-	-	11,050,165	11,050,165
Total revenue from contract with customers	<u>5,771,353</u>	<u>18,791,344</u>	<u>11,050,165</u>	<u>35,612,862</u>
2023				
Major goods and services:				
Construction contract revenue	20,403,450	-	-	20,403,450
Sale of electricity	-	7,602,292	-	7,602,292
Total revenue from contract with customers	<u>20,403,450</u>	<u>7,602,292</u>	<u>-</u>	<u>28,005,742</u>

27. Finance Costs

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expenses on:				
Bank overdrafts	348,907	461,739	-	-
Bill payables	1,277,974	1,492,611	-	-
Lease liabilities	74,413	38,627	62,624	28,867
Term loans	30,293,632	28,423,749	-	-
Bank guarantee	-	424,687	-	-
Revolving credits	-	195,880	-	195,880
Trade commodity financing	22,917	297,631	-	-
	<u>32,017,843</u>	<u>31,334,924</u>	<u>62,624</u>	<u>224,747</u>
Less: Amount capitalised into property, plant and equipment (Note 4)	-	(3,702,167)	-	-
	<u>32,017,843</u>	<u>27,632,757</u>	<u>62,624</u>	<u>224,747</u>

28. Profit/(Loss) Before Tax

Profit/(Loss) before tax is determined after charging/(crediting) amongst other, the following items:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Auditors' remuneration:				
- Audit fee				
- Current year	386,550	376,050	120,000	115,000
- Overprovision in in prior years	-	(2,500)	-	-
- Non-audit fee				
- Current year	12,000	5,000	5,000	5,000
	398,550	378,550	125,000	120,000
Amortisation of golf club memberships	7,893	7,895	-	-
Bad debts written off	-	1,854	-	-
Depreciation of:				
- Property, plant and equipment	10,094,544	6,515,728	4,892	25,585
- Investment properties	13,572,643	13,497,211	-	-
- Right-of-use assets	566,953	396,664	391,876	239,521
Impairment losses on: non-financial assets:				
- Contract asset	-	4,363,440	-	-
- Goodwill on consolidation	-	23,500,000	-	-
- Investment in subsidiary companies	-	-	-	86,000,000
Interest income	(721,390)	(735,244)	(35,378)	(42,668)
Lease expenses relating to short term leases	16,915	-	-	-
Lease income	(1,357,762)	(1,045,100)	-	-
LTIP expenses	-	12,690,000	-	12,690,000
Net (Gain)/Loss on disposal of property, plant and equipment	(54,725,694)	(506,779)	1,807	(192,000)

28. Profit/(Loss) Before Tax (Cont'd)

Profit/(Loss) before tax is determined after charging/(crediting) amongst other, the following items: (Cont'd)

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Net loss on impairment of financial instruments				
- Impairment losses on:				
- Trade receivables	41,569,935	8,701,306	-	-
- Other receivables	14,742,102	27,668,257	-	-
- Amounts due from subsidiary companies	-	-	10,637,211	6,680,091
- Reversal of impairment losses on:				
- Trade receivables	(3,041,446)	(2,098,125)	-	-
- Other receivables	(2,250)	(2,360,418)	-	-
- Amounts due from subsidiary companies	-	-	(2,032,348)	-
	53,268,341	31,911,020	8,604,863	6,680,091
Non-Executive Directors' remuneration:				
- Fees	405,000	402,839	405,000	402,839
- other emoluments	99,500	124,000	99,500	124,000
Reversal of accrued development expenditure	-	(24,500,000)	-	-
Reversal of impairment losses on:				
- contract assets	(133,584)	-	-	-
- investment properties	(4,015,727)	(7,125,058)	-	-
Share of result of joint venture	(121,594,264)	(131,059,683)	-	-
Unrealised (gain)/loss on foreign exchange	(2,241,399)	3,314,420	11,991,650	(18,715,704)

29. **Taxation**

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Tax expenses recognised in profit or loss				
Current income tax:				
Current tax provision				
- in Malaysia	150,254	93,720	88,873	49,120
- outside Malaysia	19,385	219,370	-	-
Under/(Over) provision in prior years	22,580	15,924	(38,880)	(50,623)
	192,219	329,014	49,993	(1,503)
Real property gain tax	6,130,181	-	-	-
Deferred tax (Note 23):				
Relating to origination and reversal of temporary differences				
Under/(Over) provision in prior years	(36,670)	(36,826)	-	-
	28,815	(170)	-	-
	(7,855)	(36,996)	-	-
Tax expenses for the financial year	6,314,545	292,018	49,993	(1,503)

Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

29. Taxation (Cont'd)

A reconciliation of income tax expenses applicable to profit/(loss) before tax at the statutory tax rate to income tax expenses at the effective tax rate of the Group and of the Company are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit/(Loss) before tax	46,849,960	12,089,580	3,571,030	(89,597,723)
At Malaysian statutory rate of 24% (2023: 24%)	11,243,990	2,901,499	857,047	(21,503,454)
Effect of different tax rates in other countries	217,007	638,925	-	-
Income not subject to tax	(9,986,927)	(8,349,017)	(6,460,075)	(4,544,302)
Expenses not deductible for tax purposes	2,835,624	24,267,171	5,625,951	26,252,438
Deferred tax assets not recognised	25,937,148	12,638,828	65,950	-
Utilisation of previously unrecognised deferred tax assets	(587,752)	(155,562)	-	(155,562)
Share of result of joint venture	(29,182,623)	(31,454,324)	-	-
Share of partnership loss	(343,498)	(211,256)	-	-
Real property gain tax	6,130,181	-	-	-
Under/(Over) provision of taxation in prior years	22,580	15,924	(38,880)	(50,623)
Under/(Over) provision of deferred tax in prior years	28,815	(170)	-	-
Tax expenses for the financial year	6,314,545	292,018	49,993	(1,503)

29. Taxation (Cont'd)

The Group is in the process of assessing the exposure to the Pillar Two income taxes arising from legislation in the jurisdictions in which the Group operates in. Due to the complex nature of the legislation and the calculations including the determination of the adjustments required under the Pillar Two legislation, the Group assessed that the quantitative impact of the potential top-up tax arising from the enacted/substantively enacted legislation is not yet reasonably estimable. The Group continues to assess the impact of the Pillar Two legislation on its financials.

The Group and the Company have the following estimated unutilised tax losses and unabsorbed capital allowances available to carry forward to offset against future taxable profit. The said amounts are subject to approval by the tax authorities.

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unabsorbed capital allowances	98,723,653	74,150,981	22,768	-
Unutilised tax losses	308,104,785	260,005,057	993,425	721,886
	<u>406,828,438</u>	<u>334,156,038</u>	<u>1,016,193</u>	<u>721,886</u>

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the unutilised tax losses of the Group and of the Company will be imposed with a time limit of utilisation. Any accumulated unutilised tax losses brought forward can be carried forward for a maximum period of 7 consecutive years of assessment. With effect from year of assessment 2023, unutilised tax losses that were allowed to be carried forward up to seven consecutive years was extended to a maximum of ten consecutive years of assessment under the current tax legislation. The unabsorbed capital allowances do not expire under current tax legislation.

29. Taxation (Cont'd)

Pursuant to Section 44(5F) of the Income Tax Act 1967, the unutilised tax losses can only be carried forward until the following years of assessment.

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unutilised tax losses to be carried forward until:				
- 2028	87,568,050	87,568,050	721,886	721,886
- 2029	66,370,115	66,370,115	-	-
- 2030	25,230,885	25,230,885	-	-
- 2031	40,381,374	40,381,374	-	-
- 2032	32,079,668	32,079,668	-	-
- 2033	8,374,965	8,374,965	-	-
- 2034	48,099,728	-	271,539	-
	<u>308,104,785</u>	<u>260,005,057</u>	<u>993,425</u>	<u>721,886</u>

30. Earnings per Share**(a) Basic earnings per share**

The basic earnings per share are calculated based on the consolidated profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2024	2023
Profit attributable to owners of the parent (RM)	<u>57,117,139</u>	<u>16,744,278</u>
Weighted average number of ordinary shares in issue (units)		
- Issued ordinary shares at 1 January	2,369,850,544	2,090,317,607
- Effect of ordinary shares issued during the financial year	<u>142,773,634</u>	<u>135,714,823</u>
shares in issue	<u>2,512,624,178</u>	<u>2,226,032,430</u>
Basic earnings per share (in sen)	<u>2.27</u>	<u>0.75</u>

30. Earnings per Share (Cont'd)

(b) Diluted earnings per share

The Group and the Company have no dilution in their earnings per ordinary share as the exercise price of the LTIP, Warrant B 2018/2023 and Warrant C 2020/2025 has exceeded the average market price of ordinary shares during the financial year, the options do not have any dilutive effect on the weighted average number of ordinary shares.

31. Dividend

On 30 December 2024, the Board declared the first single-tier interim dividend of 0.5 sen per ordinary share in respect of the financial year ending 31 December 2024 ("First Interim Dividend").

On the same date, the Board had resolved that the dividend reinvestment plan would apply to the First Interim Dividend, whereby the shareholders of JAKS will be provided with the option to elect to reinvest the entire or part of the First Interim Dividend in new shares ("New Share(s)") ("1st DRP").

On behalf of the Board, UOB Kay Hian Securities (M) Sdn. Bhd. had, on 13 January 2025, announced that the issue price of the New Shares to be issued pursuant to the 1st DRP had been fixed at RM0.125 per New Share.

Pursuant to the 1st DRP, a total of 19,434,125 New Shares were issued at an issue price of RM0.125 per share. The listing of these New Shares was completed on 4 March 2025.

32. Long Term Incentive Plan ("LTIP")

On 28 June 2016, the shareholders of JRB have at Extraordinary General Meeting approved the establishment of a LTIP of up to fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares) at any one time for the Directors and employees of JRB and its subsidiary companies. The Group's LTIP comprises of the Share Option Plan ("SOP") and Share Grant Plan ("SGP") for its employees.

The salient terms of the LTIP are as follows:

- (a) The maximum number of Shares to be allotted and issued pursuant to the LTIP shall not at any point in time in aggregate exceed fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares) at any one time.

32. Long Term Incentive Plan (“LTIP”) (Cont’d)

The salient terms of the LTIP are as follows: (Cont’d)

- (b) The basis of allocation of the number of shares which may be offered to an Eligible Person pursuant to LTIP shall be determined entirely at the discretion of the LTIP Committee. The LTIP Committee will ensure that there should be equitable allocation to the Eligible Persons, after taking into consideration, amongst others, the appraised performance, seniority and/or length of service, contributions to the success and development as well as such other criteria as the LTIP Committee may deem fit and relevant. The LTIP Committee has the discretion in determining whether the allocation available shall be staggered over the duration of the LTIP period.
- (c) A person who fulfils the following criteria as at the date of an LTIP Grant shall be eligible to be considered by the LTIP Committee as an Eligible Person:
 - (i) has attained the age of eighteen (18) years;
 - (ii) has not been adjudicated a bankrupt;
 - (iii) has entered into a full-time or fixed-term contract of service/employment with any company within the Group;
 - (iv) whose service/employment has been confirmed in writing;
 - (v) a Director or Senior Management of the Group; and
 - (vi) has fulfilled any other eligibility criteria to be determined by the LTIP Committee from time to time at its discretion, as the case may be.
- (d) The LTIP shall be in force for a duration of five (5) years from the effective date of the implementation. The LTIP may be extended or renewed for a further period of five (5) years, at the sole discretion of the Board upon recommendation of the LTIP Committee.
- (e) All the new shares to be issued pursuant to the LTIP shall upon allotment and issue, rank pari passu in respects with the existing shares except that the new shares shall not be entitled to any dividends, rights, allotment and/or other distributions which entitlements date precedes the date of allotment of the said shares.
- (f) In the case of the share grant, the shares will be vested with the grantee at no consideration on the vesting date. While in the case of share option, the option price shall be based on the 5-day weighted average market price of the underlying shares at the time the option is offered, with a discount of not more than 10%.

32. Long Term Incentive Plan (“LTIP”) (Cont’d)

Share Option Plan (“SOP”)

Movements in the number of share options and the exercise price are as follows:

	Group and Company	
	Number of share option	
	2024	2023
	Unit	Unit
At 1 January/At 31 December	141,473,619	141,473,619
Exercise price (RM)	0.24 - 0.75	0.24 - 0.75
Options exercisable at 31 December	141,473,619	141,473,619

During the financial year, no share options were exercised.

The fair value of share options granted to eligible employees and Directors, was determined using Black-Scholes Option Pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at the grant date and the input assumed by the Company in arising the fair value are as follows:

	Group and Company	
	2024	2023
Fair value (RM)	0.04	0.04
Share price (RM)	0.24	0.24
Exercise price (RM)	0.24 - 0.75	0.24 - 0.75
Expected volatility (%)	45.34%	45.34%
Expected life (years)	5 years	5 years
Risk-free interest rate (%)	3.10%	3.10%

32. Long Term Incentive Plan (“LTIP”) (Cont’d)

Share Grant Plan (“SGP”)

Movements in the number of shares granted and vested are as follows:

	Group and Company	
	Number of shares	
	2024	2023
	Unit	Unit
At 1 January	-	-
Granted	-	70,500,000
Vested	-	(70,500,000)
At 31 December	-	-

The closing share price at the date of granting was RM0.18 (2023: RM0.18) per ordinary share.

33. Staff Costs

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Fees	405,000	402,839	405,000	402,839
Salaries, wages and other emoluments	15,811,869	16,798,275	5,333,733	5,323,971
Defined contributions plan	1,330,909	1,414,960	603,588	597,654
Social security contribution	99,031	98,722	14,564	12,552
Shares granted under LTIP	-	12,690,000	-	12,690,000
	<u>17,646,809</u>	<u>31,404,796</u>	<u>6,356,885</u>	<u>19,027,016</u>

33. Staff Costs (Cont'd)

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Group and of the Company during the financial year as below:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Executive Directors				
Salaries, wages and other emoluments	3,195,500	3,321,000	3,195,500	3,321,000
Defined contributions plan	370,500	385,320	370,500	385,320
Social security contribution	3,651	3,476	3,651	3,476
Shares granted under LTIP	-	8,460,000	-	8,460,000
	<u>3,569,651</u>	<u>12,169,796</u>	<u>3,569,651</u>	<u>12,169,796</u>

The estimated monetary value of Directors' benefit-in-kind is RM55,533 (2023:RM62,800).

34. Contingent Liability

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unsecured				
Bank guarantees issued for execution of contracts of the subsidiary companies	41,010,386	40,813,828	-	-
Corporate guarantees given to licensed banks to secure credit facilities granted to the subsidiary companies	-	-	487,612,909	549,397,782
	<u>41,010,386</u>	<u>40,813,828</u>	<u>487,612,909</u>	<u>549,397,782</u>

35. Related Party Disclosures**(a) Identifying related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and certain members of senior management of the Group.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	2024	2023
	RM	RM
Group		
Rental expense paid to a non-controlling interest of a subsidiary company	55,200	55,200
Dividend income received/receivable from joint venture	27,373,214	27,386,409
General expenses charged by related party	3,123,358	1,884,747
Progress billed to joint venture	-	69,210,568
Progress claimed from joint operation	-	4,398,100
	<hr/>	<hr/>
Company		
Management fees received/receivable from subsidiary companies	7,800,000	7,800,000
	<hr/>	<hr/>

35. Related Party Disclosures (Cont'd)

(c) Compensation of key management personnel

Compensation of key management personnel is as follow:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Short term employees benefits	8,315,725	8,809,792	5,427,546	5,410,068
Defined contribution plans	768,054	781,599	574,644	569,838
Shares granted under LTIP	-	12,690,000	-	8,460,000
	<u>9,083,779</u>	<u>22,281,391</u>	<u>6,002,190</u>	<u>14,439,906</u>

Included in compensation of key management personnel is remuneration of Directors as disclosed in Notes 28 and 33.

36. Commitment

Operating lease commitments – as lessor

The Group leases out its investment properties (Note 5(a)). The future minimum lease receivables under non-cancellable leases are as follows:

	Group	
	2024	2023
	RM	RM
Less than 1 year	5,519,252	4,993,464
Between 1 and 5 years	1,756,312	8,314,384
	<u>7,275,564</u>	<u>13,307,848</u>

37. Segment Information

For management purposes, the Group is organised into business units based on their products and services, and has six (6) reportable segments as follows:

- | | |
|---------------------|--|
| Manufacturing | : Comprise mainly manufacturing of pipes. |
| Trading | : Comprise mainly trading in sheet piles, steel bars, mild steel and special pipes, other steel related products, building materials and supply of products for water supply industry. |
| Construction | : Comprise mainly provision of sub-contracting activities, general contractor, supplier of building materials and also construction. |
| Property Investment | : Management of shopping mall. |
| Power Energy | : Engage in the business of renewable energy. |
| Others | : Investment holding. |

There are varying levels of integration between the segments such as the transfer of raw materials and shared distribution and administrative services. Inter-segment pricing is determined on negotiated basis.

Segment performance is evaluated based on segment profit/(loss) before tax and is measured consistently with profit or loss in the consolidated financial statements.

Segment assets and liabilities information are not regularly provided to the chief operating decision-maker. Hence, no disclosure is made on segment assets and liabilities.

37. **Segment Information (Cont'd)**

	Trading	Construction	Property	Others	Manufacturing	Power	Adjustment/ Elimination	Total
	RM	RM	Investment RM	RM	RM	Energy RM	RM	RM
Group								
2024								
Revenue								
External revenue	-	7,312,973	13,714,431	11,050,160	-	18,791,344	-	50,868,908
Inter-company	-	2,970,670	-	62,090,194	-	-	(65,060,864)	-
	-	10,283,643	13,714,431	73,140,354	-	18,791,344	(65,060,864)	50,868,908
Results								
Segment results	(317,077)	(88,232,038)	(17,069,862)	27,645,076	(30,540)	9,831,092	(35,342,145)	(103,515,494)
Other income	6,838	5,155,359	3,017,233	69,152,815	-	257,322	(16,800,534)	60,789,033
Finance costs	(5,136)	(2,963,744)	(18,804,161)	(1,048,472)	-	(9,196,330)	-	(32,017,843)
Share of results of joint ventures	-	-	-	-	-	-	121,594,264	121,594,264
(Loss)/Profit before tax	(315,375)	(86,040,423)	(32,856,790)	95,749,419	(30,540)	892,084	69,451,585	46,849,960
Tax expense	-	(11,530)	-	(6,227,920)	-	(75,095)	-	(6,314,545)
(Loss)/Profit for the financial year	(315,375)	(86,051,953)	(32,856,790)	89,521,499	(30,540)	816,989	69,451,585	40,535,415

37. **Segment Information (Cont'd)**

Group	Trading RM	Construction RM	Property Investment RM	Others RM	Manufacturing RM	Power Energy RM	Adjustment/ Elimination RM	Total RM
2023								
Revenue								
External revenue	-	18,718,829	10,264,003	-	-	7,602,292	2,970,670	39,555,794
Inter-company	-	-	-	35,186,409	-	-	(35,186,409)	-
	-	18,718,829	10,264,003	35,186,409	-	7,602,292	(32,215,739)	39,555,794
Results								
Segment results	(70,062,640)	(56,865,865)	5,591,739	(87,095,076)	(30,654)	2,250,172	105,186,817	(101,025,507)
Other income	5,447	1,538,364	7,464,650	436,727	-	242,973	-	9,688,161
Finance costs	(10,217)	(1,975,408)	(19,333,843)	(1,217,990)	-	(5,095,299)	-	(27,632,757)
Share of results of joint ventures	-	-	-	-	-	-	131,059,683	131,059,683
(Loss)/Profit before tax	(70,067,410)	(57,302,909)	(6,277,454)	(87,876,339)	(30,654)	(2,602,154)	236,246,500	12,089,580
Tax expense	-	(182,374)	-	4,018	-	(113,662)	-	(292,018)
(Loss)/Profit for the financial year	(70,067,410)	(57,485,283)	(6,277,454)	(87,872,321)	(30,654)	(2,715,816)	236,246,500	11,797,562

37. Segment Information (Cont'd)**Geographical Segments**

Segment information is presented in respect of the Group's geographical segments. The geographical segments are based on the Group's management and internal reporting structure.

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment non-current assets are based on the geographical location of assets. The Group's principal geographical areas for its operations are located in Malaysia and Vietnam.

	Malaysia RM	Vietnam RM	Total RM
2024			
Revenue from external customer by location of customer	39,818,743	11,050,165	50,868,908
Segment non-current assets	<u>850,266,802</u>	<u>999,090,415</u>	<u>1,849,357,217</u>

	Malaysia RM	Vietnam RM	Total RM
2023			
Revenue from external customer by location of customer	39,555,794	-	39,555,794
Segment non-current assets	<u>889,766,056</u>	<u>904,954,327</u>	<u>1,794,720,383</u>

Major customers

The following are major customers with revenue equal or more than 10% of the Group total revenue:

	Revenue		
	2024 RM	2023 RM	Segment
Customer A	18,791,344	7,602,292	Power Energy
Customer B	11,050,165	-	Others
Customer C	<u>-</u>	<u>16,757,067</u>	Construction

38. Financial Instruments**(a) Classification of financial instruments**

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Group 2024			
Financial Assets			
Trade receivables	160,680,695	-	160,680,695
Other receivables	141,171,879	-	141,171,879
Amount due from joint ventures	10,285,182	-	10,285,182
Fixed deposits with licensed banks	24,296,264	-	24,296,264
Cash and bank balances	57,110,666	-	57,110,666
	<u>393,544,686</u>	<u>-</u>	<u>393,544,686</u>
Financial Liabilities			
Trade payables	-	213,243,031	213,243,031
Other payables	-	205,991,177	205,991,177
Bank borrowings	-	456,449,299	456,449,299
Lease liabilities	-	1,621,135	1,621,135
	<u>-</u>	<u>877,304,642</u>	<u>877,304,642</u>

38. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

Group	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2023			
Financial Assets			
Trade receivables	225,673,296	-	225,673,296
Other receivables	180,630,198	-	180,630,198
Amount due from joint ventures	10,291,373	-	10,291,373
Fixed deposits with licensed banks	22,221,624	-	22,221,624
Cash and bank balances	41,803,068	-	41,803,068
	<u>480,619,559</u>	<u>-</u>	<u>480,619,559</u>
2023			
Financial Liabilities			
Trade payables	-	238,421,953	238,421,953
Other payables	-	231,693,290	231,693,290
Bank borrowings	-	493,436,477	493,436,477
Lease liabilities	-	1,723,593	1,723,593
	<u>-</u>	<u>965,275,313</u>	<u>965,275,313</u>

38. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Company			
2024			
Financial Assets			
Other receivables	13,686,796	-	13,686,796
Amount due from subsidiary companies	699,976,202	-	699,976,202
Cash and bank balances	18,054,855	-	18,054,855
	<u>731,717,853</u>	<u>-</u>	<u>731,717,853</u>
Financial Liabilities			
Trade payables	-	1,026,520	1,026,520
Other payables	-	33,353,456	33,353,456
Amount due to subsidiary companies	-	125,804,278	125,804,278
Lease liabilities	-	1,231,010	1,231,010
	<u>-</u>	<u>161,415,264</u>	<u>161,415,264</u>
2023			
Financial Assets			
Other receivables	276,796	-	276,796
Amount due from subsidiary companies	625,286,662	-	625,286,662
Fixed deposits with licensed banks	83,793	-	83,793
Cash and bank balances	27,755,140	-	27,755,140
	<u>653,402,391</u>	<u>-</u>	<u>653,402,391</u>
Financial Liabilities			
Other payables	-	20,798,801	20,798,801
Amount due to subsidiary companies	-	71,820,316	71,820,316
Lease liabilities	-	1,536,689	1,536,689
	<u>-</u>	<u>94,155,806</u>	<u>94,155,806</u>

38. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group and the Company operates within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and deposits with banks and financial institutions. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies and financial guarantees given to banks and financial institutions for credit facilities granted to certain subsidiary companies. There are no significant changes as compared to prior periods.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured advances to subsidiary companies. It also provides unsecured financial guarantees to banks and financial institutions for banking facilities granted to certain subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

At each reporting date, the Group and the Company assess whether any of the receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

38. **Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represents the Group's and the Company's maximum exposure to credit risk except for bank guarantee issued for execution of contracts of the subsidiary companies and financial guarantees provided to banks and financial institutions for banking facilities granted to certain subsidiary companies. The Group's maximum exposure in this respect is RM41,010,386 (2023: RM40,813,828) while the Company's maximum exposure in this respect is RM487,612,909 (2023: RM549,397,782), representing the bank guarantee issued and outstanding banking facilities of the subsidiary companies at the end of the reporting period. There was no indication that any subsidiary company would default on repayment as at the end of the reporting period.

The Group's has no significant concentration to credit risk except as disclosed in Notes 15 and 37. The Company has no significant concentration of credits risks except for advances to its subsidiary companies where risks of default have been assessed to be low.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

38. **Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

Group	On demand or within 1 year RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
2024					
Non-derivative financial liabilities					
Trade payables	213,243,031	-	-	213,243,031	213,243,031
Other payables	205,991,177	-	-	205,991,177	205,991,177
Bank borrowings	89,437,293	317,354,514	160,312,940	567,104,748	456,449,299
Lease liabilities	585,111	1,162,220	-	1,747,331	1,621,135
Financial guarantee*	41,010,386	-	-	41,010,386	-
	550,266,998	318,516,734	160,312,940	1,029,096,673	877,304,642
2023					
Non-derivative financial liabilities					
Trade payables	238,421,953	-	-	238,421,953	238,421,953
Other payables	231,693,290	-	-	231,693,290	231,693,290
Bank borrowings	102,077,491	372,245,093	305,576,578	779,899,162	493,436,477
Lease liabilities	535,328	1,359,344	-	1,894,672	1,723,593
Financial guarantee*	40,813,828	-	-	40,813,828	-
	613,541,890	373,604,437	305,576,578	1,292,722,905	965,275,313

38. **Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

Company	On demand or within 1 year RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
2024					
Non-derivative financial liabilities					
Trade payables	1,026,520	-	-	1,026,520	1,026,520
Other payables	33,353,456	-	-	33,353,456	33,353,456
Amount due to subsidiary company	125,804,278	-	-	125,804,278	125,804,278
Lease liabilities	368,304	963,440	-	1,331,744	1,231,010
Financial guarantee*	487,612,909	-	-	487,612,909	-
	<u>648,165,467</u>	<u>963,440</u>	<u>-</u>	<u>649,128,907</u>	<u>161,415,264</u>
2023					
Non-derivative financial liabilities					
Other payables	20,798,801	-	-	20,798,801	20,798,801
Amount due to subsidiary company	71,820,316	-	-	71,820,316	71,820,316
Lease liabilities	368,304	1,331,744	-	1,700,048	153,689
Financial guarantee*	549,397,782	-	-	549,397,782	-
	<u>642,385,203</u>	<u>1,331,744</u>	<u>-</u>	<u>643,716,947</u>	<u>92,772,806</u>

* Being bank guarantees issued for execution of contracts of the subsidiary companies and corporate guarantee granted for banking facilities of certain subsidiary companies which will only be encashed in the event of default by these companies.

38. Financial Instruments (Cont'd)**(b) Financial risk management objectives and policies (Cont'd)****(iii) Market risk****(a) Foreign currency risk**

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily United States Dollar (USD).

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	2024	2023
	RM	RM
Group		
Denominated in United States Dollar		
Trade receivables	124,176,301	129,105,119
Other receivables	38,675,120	40,442,685
Amount owing by joint venture	10,285,183	10,291,373
Cash and bank balances	14,798,091	14,906,738
Trade payables	(199,360,112)	(209,450,019)
Other payables	(42,612,894)	(44,517,485)
	<u>(54,038,311)</u>	<u>(59,221,589)</u>
Company		
Denominated in United States Dollar		
Capital contribution to a subsidiary company	529,927,272	544,443,299
Other receivables	13,410,000	-
Cash and bank balances	101,960	13,417,541
Trade payables	(1,026,520)	-
Other payables	(17,880,000)	(18,366,000)
Amount due to a subsidiary company	(68,641,933)	(70,465,882)
	<u>455,890,779</u>	<u>469,028,958</u>

38. Financial Instruments (Cont'd)**(b) Financial risk management objectives and policies (Cont'd)****(iii) Market risk (Cont'd)****(a) Foreign currency risk (Cont'd)**Foreign currency sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

The following table demonstrates the sensitivity of the Group's and of the Company's profit before tax to a reasonably possible change in USD exchange rate against RM, with all other variables held constant.

		2024	2023
	Change in	Effect	Effect
	currency rate	on profit	on profit
	RM	before tax	before tax
		RM	RM
Group			
USD	Strengthened 10%	(5,403,831)	(5,922,159)
	<u>Weakened 10%</u>	<u>5,403,831</u>	<u>5,922,159</u>
Company			
USD	Strengthened 10%	45,589,078	46,902,896
	<u>Weakened 10%</u>	<u>(45,589,078)</u>	<u>(46,902,896)</u>

(b) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in market interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in market interest rates.

The Group manages the interest rate risk of its deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long term deposits.

38. Financial Instruments (Cont'd)**(b) Financial risk management objectives and policies (Cont'd)****(iii) Market risk (Cont'd)****(b) Interest rate risk (Cont'd)**

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group	
	2024	2023
	RM	RM
Fixed rate instruments		
<i>Financial assets</i>		
Deposits placed with licensed banks	24,296,264	22,221,624
<i>Financial liabilities</i>		
Lease liabilities	(1,621,135)	(1,723,593)
Term loans	(201,418,493)	(216,418,493)
	<u>(178,743,364)</u>	<u>(195,920,462)</u>
Floating rate instruments		
<i>Financial liabilities</i>		
Term loans	(231,992,594)	(244,008,033)
Trade commodity financing	(16,450,000)	(25,000,000)
Bills payables	(983,000)	(2,099,000)
Bank overdrafts	(5,605,212)	(5,910,951)
	<u>(255,030,806)</u>	<u>(277,017,984)</u>

38. Financial Instruments (Cont'd)**(b) Financial risk management objectives and policies (Cont'd)****(iii) Market risk (Cont'd)****(b) Interest rate risk (Cont'd)**

	Company	
	2024	2023
	RM	RM
Fixed rate instruments		
<i>Financial asset</i>		
Deposits placed with licensed banks	-	83,793
<i>Financial liability</i>		
Lease liabilities	(1,231,010)	(1,536,689)
	<u>(1,231,010)</u>	<u>(1,452,896)</u>

Interest rate risk sensitivity analysisFair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in market interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

An increase in 0.5% (2023: 0.5%) interest rate at the end of the reporting period would have decreased the Group's profit before tax by RM1,275,154 (2023: RM1,385,090). A decrease in 0.5% (2023: 0.5%) interest rate at the end of the reporting period would have had equal but opposite effect to the aforesaid amounts. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Fair values of financial instruments

The carrying amounts of short term receivables and payables, cash and cash equivalents and short term borrowings approximate their fair value due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

39. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

	At 1 January 2024 RM	Financing cash flow (i) RM	<u>Non-cash changes</u> New lease RM	At 31 December 2024 RM
Group				
Lease liabilities	1,723,593	(492,467)	390,009	1,621,135
Term loans	460,426,526	(27,015,439)	-	433,411,087
Trade commodity financing	25,000,000	(8,550,000)	-	16,450,000
Bill payables	2,099,000	(1,116,000)	-	983,000
	489,249,119	(37,173,906)	390,009	452,465,222
Company				
Amount due to subsidiary companies	71,820,316	52,115,196	1,868,766	125,804,278
Lease liabilities	1,536,689	(305,679)	-	1,231,010
	73,357,005	51,809,517	1,868,766	127,035,288

(i) *The cash flows make up the net amount of proceeds from or repayments of borrowings in the statements of cash flows.*

39. Reconciliation of Liabilities Arising from Financing Activities (Cont'd)

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes: (Cont'd)

	At 1 January 2023 RM	Financing cash flow (i) RM	<u>Non-cash changes</u> New lease RM	At 31 December 2023 RM
Group				
Lease liabilities	281,798	(351,648)	1,793,443	1,723,593
Term loans	450,885,826	9,540,700	-	460,426,526
Trade commodity financing	25,000,000	-	-	25,000,000
Bill payables	4,815,361	(2,716,361)	-	2,099,000
Revolving credits	10,000,000	(10,000,000)	-	-
	490,982,985	(3,527,309)	1,793,443	489,249,119
Company				
Amount due to subsidiary companies	61,854,785	9,965,531	-	71,820,316
Lease liabilities	48,777	(162,088)	1,650,000	1,536,689
Revolving credits	10,000,000	(10,000,000)	-	-
	71,903,562	(196,557)	1,650,000	73,357,005

(i) The cash flows make up the net amount of proceeds from or repayments of borrowings in the statements of cash flows.

40. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital using a debt-to-equity ratio. The Group's policy is to maintain a prudent level of debt-to-equity ratio that complies with debt covenants and regulatory requirements. The debt-to-equity ratio at end of the reporting period are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Total loans and borrowings	458,070,434	495,160,070	1,231,010	1,536,689
Less: Fixed deposits, cash and bank balances	(81,406,930)	(64,024,692)	(18,054,855)	(27,838,933)
Net debts	<u>376,663,504</u>	<u>431,135,378</u>	<u>(16,823,845)</u>	<u>(26,302,244)</u>
Total equity	<u>1,473,178,595</u>	<u>1,418,346,961</u>	<u>1,190,173,615</u>	<u>1,171,177,773</u>
Debt-to-equity ratio	<u>0.26</u>	<u>0.30</u>	<u>N/A</u>	<u>N/A</u>

There were no changes in the Group's approach to capital management during the financial year.

41. Material Litigation

On 4 November 2024, the Company entered into a Settlement Agreement with Star Media Group Berhad ("STAR") to resolve all disputes, claims and counterclaims between the parties relating to or in connection with the Sale and Purchase Agreement dated 19 August 2011 and the Corporate Guarantee dated 17 October 2013.

42. Subsequent Event

Proposed medium term notes ("MTN") programme of up to RM250,000,000.00 in nominal value ("MTN Programme")

The Board of Directors of JAKS Resources Berhad ("JAKS") wishes to announce that its,

On 5 December 2024, MNH Global Assets Management Sdn. Bhd. ("MNH Global" or "Issuer"), indirect partially-owned subsidiary company of the Company, had lodged with the Securities Commission Malaysia ("SC"), the required information and relevant documents pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by SC on 9 March 2015 and as revised on 5 February 2024 (as amended and/or substituted from time to time) ("LOLA Guidelines") in relation to the establishment of the MTN Programme.

The proceeds from the issuance of the MTNs under the MTN Programme shall be utilised for the following purposes:

- (a) to refinance the Issuer's existing financings/borrowings, including to redeem/pay any outstanding MTNs issued under the MTN Programme (in whole or in part) and any part of interest/ coupon of the borrowings/ MTNs;
- (b) to fund capital expenditure of the Issuer and/or the relevant obligor of the MTN Programme in relation to the management of Evolve Concept Mall, Pacific 63 commercial lots and such other properties to be identified and agreed between MNH Global, the Lead Arranger/Lead Manager and the identified subscriber of the MTN;
- (c) to fund the working capital requirements of the Issuer;
- (d) to repay intercompany loans/ shareholders or directors' advances for the purpose of principal and coupon/interest payments of the outstanding MTNs and the Existing Financing, if any; and
- (e) such other purpose to be determined by the Issuer and agreed upon by the Lead Arranger/Lead Manager and the identified subscriber of the MTNs.

Public Investment Bank Berhad is the Principal Adviser, Lead Arranger and Lead Manager in respect of the MTN Programme.

43. Date of Authorisation for Issue

The financial statements of were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 April 2025.



JAKS RESOURCES BERHAD

200201017985 (585648-T)

Unit B-09-28, Tower B, Pacific Towers , Jalan 13/6,
Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan
Tel : +603-7660 3333 Fax : +603-7660 8993

www.jaks.com.my