

JAKS RESOURCES BERHAD
Registration No. 200201017985 (585648-T)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED

AT THE NINETEENTH ANNUAL GENERAL MEETING OF THE COMPANY

Date : 29 June 2021, Tuesday
Time : 2.30 p.m.

Set forth below are the Key Matters Discussed:

No.	Queries	Responses
1.	As Mr Ang aware, the capacity payment is dependent on the availability factor of the power plant. Mong Duong II has 99.41% availability factor for Year 2016 and 2017. May I know what is the availability factor of Hai Duong Power plant based on the available information? What is the projected utilisation rate for the next 3 months?	<ul style="list-style-type: none"> - The availability factor is averaging over 80% while the remaining time needs to be shut down for maintenance purposes. This is in accordance with our PPA agreement signed with the Vietnamese government.
2.	The contract value of the Vietnam EPC contract is USD454.5 million and the cumulative revenue recognised is RM1.7 billion as stated in the 2020 annual report which indicates a balance order book of RM184 millions. There is a discrepancy of more than RM100m when compared to the amount shown in the webinar presentation slide. Please provide the USD equivalent of the total revenue recognised.	<ul style="list-style-type: none"> - The revenue was recognized over different financial years at different foreign exchange rates. - As with any other construction contract, the final figures will be subject to finalisation of accounts upon the full completion of the construction works. This may include variation orders ("VO"). - The total accumulated revenue recognised until FY2020 was at USD410.6 million, which represents a substantial profit of the contract since the project is at tail end.
3.	As reported by Affin Hwang that the engineer has yet to sign off the work done despite the powerplant achieving fully COD. Is it true that the power plant was having some boiler problems in Q1 2021, hence causing the power plant to be operating at less than full capacity? Has this affected the capacity payment in Q1FY2020?	<ul style="list-style-type: none"> - The remaining parts of the unsigned work relates civil works under the EPC2 package, which do not directly affect the capacity output of the plant. - It is normal for minor issues to be encountered in any course of operations. The EPC1 contractor has rectified the problems as it is still under their warranty period. - The power plant has started operating and producing electricity and generated revenues.

4.	<p>Is the profit sharing of RM29.8 m from JHDP in Q1 purely contributions from power generation? Were there any other components like project cost savings, one off items etc included? How much of the profit sharing of RM29.8m was contributed by capacity payment?</p>	<p>- The 30% profit amounted to RM29.8 million is in relation to the share of profit from the sale of electricity to the EVN generated from the Hai Duong power plant. Capacity Charge contributes a significant portion of the payment.</p>
5.	<p>How much gross electricity was generated during Q1FY2021? How much net electricity (available for commercial supply) was generated during Qtr1 2021?</p>	<p>- In Q1FY2021, gross electricity generated was around 1.1 billion kwh. Net grid electricity sold to EVN was around 1.0 billion kwh.</p>
6.	<p>We would like to propose that Jaks publish useful Operations statistics of JHDP ahead of or as part of Quarterly Financial reports. Such data include but not limited to the following.</p>	<p>- The management has noted the following suggestions and will look into it.</p>
7.	<p>Is there further upside to profit sharing from JHDP after the engineer signed off after optimizer operation?</p>	<p>- No major impact.</p>
8.	<p>When is JHDP expected to make its first dividend distribution?</p>	<p>- The power plant has only just been fully completed and operating since end January this year. - Barring any unforeseen circumstances and subject to the profits and cash reserves available for distribution, we are anticipating the dividend pay out to be in mid-2022.</p>
9.	<p>When can we expect Vietnam power plant to generate revenue for the company?</p>	<p>- The revenue from the Vietnam power plant will not be recognised as revenue in JAKS Group's accounts. What is recognised is a share of profit in JHDP. As you can see in our latest audited accounts and latest Q1 2021 quarterly results, we have started to recognise this share of profit from this joint venture.</p>
10.	<p>What is the anticipated annual profit sharing from JAKS Hai Duong Power Plant?</p>	<p>- Under the Bursa Listing Requirements, the Group is prohibited from making any statements on earnings estimates, which are speculative and price-sensitive in nature - However, as reported in the Q1FY2021 results, the 30% share of the profit amounted to RM29.8 million. This amount reflected the operations of unit 1 of the power plant for the entire 3 months' period while unit 2 is for only 2 months, as it achieved commercial operation at the end of January 2021.</p>

		- Based on the above, you can extrapolate the yearly estimated profit contribution from the Jaks Hai Duong power plant.
11.	What is the timeline and plan to build the extra 3rd turbine in the Vietnam power plant?	- The concession from the Vietnamese government is for the 1,200-mw, comprising of two units power plant. There is no plan for a 3rd unit.
12.	Is that any possibility that the actual cost of Vietnam Power Plant lower than its budgeted US\$1.87B? If yes, by how much? will the cost saved be reflected as profit in the accounts?	- The final figure are subject to finalisation of accounts upon the full completion of the construction work to be certified by the engineers. This may include variation orders ("VO").
13.	Is the power plant profit in Vietnam sufficiently enough to cover the losses on the construction arm of the company?	- The 30% share of profit from the Hai Duong power plant will be able to enhance our profitability, moving forward.
14.	May I know how many staff are currently involved in the Vietnam operation?	- Total number of staff is approximately 600, which include the operations, maintenance and management staff.
15.	<p>The profit of construction works from JHDP Vietnam power plant should be sufficient to take up the balance 10% share of the power plant that increase Jaks holding to 40%. 2020 AGM Mr Andy mentioned the plan is underway to take the 10% balance and will update shareholders on the next AGM. What is the current progress status? What is the range of the exercise price? When is the estimate completion and the tentative timeline to book this profit under Jaks report.</p> <p>What is the rationale for deferring subscription to the 10% interest when there is no definitive identification of investments that are more lucrative than subscribing to the 10% option at this point in time?</p> <p>What is the balance of unappropriated EPC profit that is expected from its Vietnam EPC contract which may be used to exercise the 10% optional interest in JPP?</p>	<p>- The group has 3 years upon the Commercial Operation Date ("COD") to subscribe for the additional 10% stake in the Hai Duong power plant.</p> <p>- The Company is looking at various funding options to exercise the 10% option in JHDP, including using internal funds, borrowings and other source of funding. Alternatively, the dividends from the power plant can also be re-invested for the 10% option.</p>
16.	Apart from the proposed private placement, does the group intend to raise funds to subscribe for the 10% optional interest in JPP?	- Not at the moment.

17.	Subscribing for the 10% optional interest in JPP will immediately boost the profit and dividend sharing from JHDP to 40%. Please clarify if the proposed 20% private placement is also intended for the option.	<ul style="list-style-type: none"> - The proposed private placement was not intended to be utilised to exercise the option of subscribing the 10% interest in JAKS Hai Duong power plant, as we have 3 years from COD to exercise the 10% option. - The proceeds are earmarked mainly for the LSS4 project, working capital and potential acquisitions of Power/Renewable Energy assets (Solar, hydroelectric dams, LNG in Malaysia, Vietnam and Indonesia).
18.	<p>I would like to request Management to provide more details of the announced private placement on the acquisition usage of RM90 m ~RM150 m.</p> <p>a) What are these assets?</p> <p>b) What is the status of each of these asset's acquisition? Bid submitted, evaluation stage, etc</p> <p>c) What is the targeted IRR or annual projected earning of these new assets.</p>	<ul style="list-style-type: none"> - Referring to our announcement dated 31 May 2021, JAKS intends to acquire brownfield power generation assets, including, amongst others, solar farms, hydroelectric dams and LNG plants in Malaysia, Vietnam and Indonesia. - We are currently in the negotiation/preliminary stage and the announcements will be made accordingly at the appropriate time. - We are targeting a high single digit to double digit IRR, depending on the viability of the projects.
19.	Is the unappropriated EPC profit plus the sum allocated in the proposal private placement for acquisitions sufficient to take up the 10% optional interest?	<ul style="list-style-type: none"> - The proceeds from the proposed private placement exercise is not allocated to take up the 10% stake in the Hai Duong power plant.
20.	Why did the Company not fully allocate the 20% private placement as we are aware some of the retail applications were not fully allocated?	<ul style="list-style-type: none"> - The Company has deliberated on this matter thoroughly and issuing less than the 20% placement shares are in the best interest of the Company and its shareholders at this juncture, without further dilution to the earnings and the shareholdings of minority shareholders.
21.	Will the company scrap the remaining unallocated private placement? Will the remaining 5% be earmarked for further PP?	<ul style="list-style-type: none"> - We will take into consideration, amongst other, the market condition and the need for funds. - Much depends on the funding required for suitable strategic investment opportunities and acquisitions that can achieve the group's objectives and enhance the profitability of the Group.
22.	Who are the new shareholders being allocated with the new shares in the latest private placement?	<ul style="list-style-type: none"> - The private placement are allocated to qualified investors, i.e. institutions and high net worth investors in accordance with SC guidelines.
23.	Company has been raising funds through rights issue and private placements that are dilutive and unfairly detrimental to minority shareholders but has yet to bring commensurate returns for shareholders investments in the company while	<ul style="list-style-type: none"> - Firstly, rights issues are not dilutive to existing shareholders since they are entitled to subscribe for the rights or they sell their rights entitlement. - Secondly, the fund raising was necessary, considering the capital intensive nature of the Group's investment in JAKS Hai Duong Power Plant

	Directors are overly receiving remunerations and perks beyond profit performance. How many more fund raising is company planning this FY and for what purpose if any?	<p>in Vietnam. This Power Plant has since started operation and is now contributing profits to the Group.</p> <ul style="list-style-type: none"> - Any decisions to carry out any other fund raising exercises will be carefully considered after taking into account the financial position and funding requirements of the Group, the market conditions and suitable potential opportunities available.
24.	What is the expected investment cost of the LSS4 Solar project?	<ul style="list-style-type: none"> - The project cost is estimated in the region of around RM200 million.
25.	What is the planned equity debt capital structure for the project?	<ul style="list-style-type: none"> - We are looking at between 20% to 25% of our equity portion.
26.	Will the project be fully owned by the group?	<ul style="list-style-type: none"> - Yes.
27.	What is the project IRR and the payback period of the solar project?	<ul style="list-style-type: none"> - We are targeting mid to high single digit IRR. - The payback period of the project is approximately 12 years.
28.	What is the expected future annual profit contribution from the project?	<ul style="list-style-type: none"> - We are targeting the Commencement Operation Date (COD) by Q1FY2023, which will then provide recurring earnings from the solar project. - Earnings from the LSS4 project may not be as substantial if compared to the Vietnam power plant. Nonetheless, it will still be decent earnings and will serve as our pilot RE and solar project, as we continue to explore other solar related projects, going forward. - We are anticipating the net profit margin to be between 15% to 20%.
29.	There is growing concern that the component costs for Solar projects have risen sharply recently, is the tariff rate proposed by the group still viable? Is there an allowance in the bidding agreement for cost increase?	<ul style="list-style-type: none"> - The tariff rate proposed by JAKS is still viable. - Our construction is expected to commence in 2022, and the market expects the solar panel prices will normalise in the near to medium term. - We have yet to lock in the price for the solar panels.
30.	There are so many players going to LSS. Will the margin go down in the future?	<ul style="list-style-type: none"> - With the current increasing price in the solar panels, generally we would expect margin to go down. - However, the market expects the solar panels will decline in the near to medium term. As our construction is expected to commence in 2022, we are cautiously optimistic that we will not be affected with the current rising price of the solar panels.

31.	What is the annual energy production capacity of the 50-mw LSS4 solar farm?	- This information is not available to public at the moment.
32.	What is the construction of order book in hand?	- Our current outstanding order book as at 31 March 2021 stood at RM314.3 million, which includes the Vietnam EPC2 of RM81.7 million.
33.	What were the tenders participated by the Group for the last six (6) months? What is total size of these tenders?	- Our current tender book is over RM4 billion, mostly consist of tenders and proposals for public/government infrastructure works.
34.	Can kindly inform on the percentage of completion of the various local construction projects?	- All of our local constructions are reaching tail end, with anticipated completion date by this year to early next year.
35.	Is the amount owed by JIC to the group fully written off? If not, what is the remaining balance and when will the amount be received?	- Adequate impairment provisions have been made.
36.	External Auditor please give your opinion and explanation is it true that the disposal of 51% JIC to ICD for consideration of RM1.00 result in disposal gain of RM 89.1 million otherwise without the disposal of JIC the loss before tax for FYE 2020 will be RM (110.3 + 89.1) = RM 199.4 million?	<p>- Under the relevant accounting standards and principles, a parent company shall derecognise the assets and liabilities of the subsidiary disposed at the date of disposal or control lost by the parent company. The gain or loss on disposal is computed by the difference between the fair value of consideration received and the net assets or liabilities of the subsidiary disposed.</p> <p>- Based on the information and documentation provided by the management, JAKS group disposed of JIC which having net liability and therefore there is a considerable amount of accounting profit or gain recognised as a result of the disposal. The financial position of JIC at the date of disposal is disclosed in Note 7(c) to the financial statements.</p>
37.	BOD, what are the salient features of the SPA (Sale and Purchase Agreement) on disposal of JSB 51% equity in JIC to ICD for consideration of RM1.00?	- Please refer to the announcement made on 29 September 2020.
38.	BOD, is any impairment loss on goodwill and receivables were the result of disposal of 51% JIC to ICD for consideration of RM1.00?	- The impairment loss on goodwill was due to the accounting standards requirement in view of the softer outlook for the construction and property sector.
39.	Two major subsidiaries in the property segment namely Fortress Pavilion and MNH Global Assets Management are having negative equities of RM22.5	- There are no plans for equity injection at this juncture.

	million and RM14.5 million respectively as at 31 Dec 2020. Is there any plan for equity injection to get the non-controlling interests to top up more capital?	
40.	Is the Pacific Star losses fully written off?	- Upon the disposal of JIC in September 2020, the losses was no longer be consolidated in JAKS Group's accounts.
41.	What is the estimated breakeven point for the property & investment division namely for Pacific tower business hub & Evolve concept Mall in term of the percentage of the rental space to be occupied? It is 60% occupancy rate able to break even for the particular property for all the cost to maintaining the property and also the depreciation?	- It is possible depending on the rental rates and income, operating costs and interest rates.
42.	Please update the latest status of Pacific Star disposal plan.	- The disposal was completed on 24 September 2020.
43.	What is the occupancy rate for Evolve Concept Mall? Is there any plans by the Group to dispose it to a reputable shopping mall manager?	- As at April 2021, the occupancy rate was at around 65% - We are currently exploring possibility of repurposing and repositioning the mall to a fresh concept that caters for new trends and demands, as we continue to focus on improving the occupancy rate and rental yield.
44.	INED may I ask, JIC "Pacific Star" project, Net liabilities RM (174,733,667) due to Liquidated and Ascertained Damages payment for delay handover of properties to buyers. Had INED done a post mortem and held Management/Executive Directors answerable, accountable and responsible for the mismanagement of the project?	- JIC was disposed of on 24 September 2020. - Therefore, the LAD is no longer an impact on the Group's financials. Appropriate actions have been taken including legal action against the Star. Kindly refer to previous announcements relating to the same.
45.	How does the company plan to re-position the mall in view that many buyers are moving to online shopping after Covid-19?	- We are currently exploring possibility of repurposing and repositioning the mall to a fresh concept that caters for new trends and demands i.e. in areas of premium retirement/wellness home, nursery, maternity centre, co-working space and digital economy. - We hope that this will increase our occupancy rate and our rental yield.

46.	External Auditor please explain your auditing and verification procedures in assessing impairment loss on trade receivables and other receivables.	- Please refer to Note 13 in the Annual Report.
47.	BOD, allowance for impairment of trade receivables and other receivable. Please provide the names of debtors, amounts owed, reasons for the debts and any specific action taken to recover the debts.	- Appropriate measures are being taken. - The impairment includes advances to JIC, a former loss-making subsidiary which has been disposed at a gain. - Bear in mind that in view of the current COVID-19 pandemic, it is prudent to expect impairments.
48.	Please explain why receivables from former related company, jointly controlled by Directors of a subsidiary company and non-controlling interest of certain subsidiary companies are unsecured and interest free?	- These are trade receivables in respect of construction projects in the ordinary course of business, not loans that attracts interest.
49.	BOD, please explain how to make sure these unsecured and interest free receivables due from a former related company, jointly controlled by Directors of a subsidiary company and non-controlling interest of certain subsidiary companies will not end up as impairment loss in the future?	- Adequate impairments are made, and appropriate measures are being taken.
50.	I strongly suggest that the Company to allocate 30:20:50 of its operating cash flow for dividends, pare down debt and capex/new business ventures respectively.	- Noted.
51.	How much is the Group's total banking line/facilities? How much have been utilised so far?	- The Group's total borrowing as at 31 March 2021 stood at RM372.2 million.
52.	Any update on the dispute with The Star?	- Please refer to announcements made. - The case management on the claim against The Star Media Group Berhad was re-fixed on 3 August 2021.
53.	JRB had without fail needed yearly fund-raising exercise either through' RI or PP. Can the management promise the current proposed Private Placement of up to 552,787,900 new ordinary shares in JRB will be the last fund-raising exercise thro' PP or RI?	- The decisions to raise funds depend very much on the company's financial position, as well as any value accretive acquisition opportunities in the interest of the Group.

54.	Company property and also construction departments not performing well, do management have plan to scale down both departments and the non-profit or loss-making departments?	<ul style="list-style-type: none"> - For our property divisions, we have since disposed of the 51% stake in JIC, which was making losses. - Going forward, to turnaround the Evolve Mall and improve the occupancy rate and its rental yield. - Nevertheless, we are keeping our options open to monetise these properties if opportunity arises. - For our construction sector, we seek to replenish our order book and secure new viable projects.
55.	Has the management rectify the cause of the continuing losses on the construction and property sector?	<ul style="list-style-type: none"> - The losses on the construction sector was mainly due to the local construction projects, as a result of the Covid-19 pandemic. Despite the lower contribution from the local construction, we have booked profit before tax of RM39.5 million from the Vietnam EPC Contract 2 during the year. - As for the property sector, we have since disposed of the property development arm that has dragged down our profitability. We are currently exploring variety of options to improve our occupancy rate and rental yield for the Evolve Concept Mall.
56.	When is JAKS going to self-sustain, instead of ask for more money but to start profit sharing like dividend to reward the investors?	<ul style="list-style-type: none"> - JAKS' venture into Power sector is capital-intensive in nature. The Jaks Hai Duong Power Plant cost USD1.87 billion. - The investment to date, has started to produce results in terms of the completion and operations of the Vietnam power plant which has start to generate profits to the Group. - We hope to be able to reward our shareholders with dividends in future when the financial position permits.
57.	Are you able to have control the company debt with so many rights issue and private placement to buy the rights of Vietnam independent power plant while the local property in Malaysia still incur losses?	<ul style="list-style-type: none"> - Our gearing ratio as at 31 December 2020 stood at 0.34 times. - We have completed a renounceable rights issue of 1.1 billion shares with 540.1 million free warrants, which raised gross proceeds of approximately RM237.62 million on 26 November 2020, where RM31.6 million was used to make partial repayment of borrowings. This has therefore, reduced our gearing ratio from 0.43 times as at 31 December 2019 to 0.34 times as at 31 December 2020. - The recent proposed private placement will enable JAKS to further strengthen the financial position and capital base of the Group and reduce the Group's gearing ratio.

58.	<p>Company share price keep dropping to all time low, is there any action taken to support the share price to move further up? What is the cause of it? Are we expecting a strong rebound in 2HFY2021?</p>	<ul style="list-style-type: none"> - Due to the Covid-19 pandemic and MCO, the stock market generally trended downwards in March 2021. - Share price movements are determined by market forces beyond the company's control. - We will continue to pursue and evaluate strategic value-accretive opportunities in order to enhance our business expansion, going forward. - For the 2HFY2021, we are anticipating better results, as there will be no burden from our loss-making property development arm, in addition to the contribution from the 30% share of profit from the JAKS Hai Duong power plant that will boost the group's financial position.
59.	<p>When did JRB purchase these freehold vacant lands, how much was its cost and the intent purpose of these lands?</p>	<ul style="list-style-type: none"> - The lands were purchased in 2020 for LSS4 project.
60.	<p>Since share grant plan/granting free share to director/management resulted in expense/losses to the company thus is not in the best interest of company and shareholders. Will the BOD from now onward forbid granting free share to director/management since it is in breach of Companies Act 2016: Section 213: (1) A director of a company shall at all times exercise his powers in accordance with this Act, for a proper purpose and in good faith in the best interest of the company?</p>	<ul style="list-style-type: none"> - The Share Grant Plan which was approved through the past EGM held in 2016 allows the establishment of up to 15% of the total number of issued shares at any one-time for directors and employees of JRB is within the mandate. - The Share Grant Plan is an incentive to reward the directors and/or the management for their effort and hard work to continuously improve and the businesses.
61.	<p>We would like to know more about the LNG power project mentioned by the CEO during the recent webinar with Rakuten. What is the stage of negotiation and when will there be a significant conclusion?</p>	<ul style="list-style-type: none"> - The relevant announcements will be made in due course.
62.	<p>What are the strategies to emerge stronger post-pandemic and to elevate or improve its low margins by entering into a high value-added energy contract?</p>	<ul style="list-style-type: none"> - We are on the look-out for potential strategic value-accretive opportunities in the power sector to enhance our profitability. - We are hopeful and cautiously optimistic that our local construction sector will rebound by the end of this year. - We are also striving to grow our footprint in Vietnam and tendering for projects, especially in the Power and infrastructure-related projects. - Meanwhile, the steady recurring income from the Vietnam power plant provides a cushion during this challenging Covid-19 pandemic.

63.	For FY2020, have the Group undertaken a cost reduction exercise to reduce overheads across all its business operations in line with current market conditions? What is the projected cost reduction for the next three (3) years?	<ul style="list-style-type: none"> - We are consistently assessing our cost management to improve profitability, without compromising our operational efficiency.
64.	How are the soaring commodities prices affect the operating costs of the Group's businesses, considering that it is in low margins businesses? And how the Group mitigates against the elevated raw material costs?	<ul style="list-style-type: none"> - We are not materially affected as majority of our projects are reaching its tail end. - Moreover, our construction works are related to sewage pipe laying works, and these raw materials are usually ordered in advance. - Generally, the fluctuations of raw material costs do not materially affect us.
65.	The falling market capitalisation and its erratic earnings for the last three (3) years mean it wouldn't have much attention of many institutional investors. Its NTA has grow faster than its earnings, due to enormous issuance of new shares via share incentive scheme, private placements and rights issue. How the company plans to enhance its credibility in the investment community as an institutionalised and high performing entity and boost its market capitalisation?	<ul style="list-style-type: none"> - The growth in the NTA over the past years reflects the heavy investments in JHDP (the Vietnam power plant JV company) during the construction period. To date, USD140 million has been invested by the Group, which was partially funded by new share issuance. This investment has started to bear fruits with the completion and operation of the power plant which has started to generate profits to the Group. - The company has also recently won the tender for the LSS4 project, which will boost the company's earnings in the near future. - Going forward, we will continue to pursue strategic value-accretive opportunities in order to enhance our business expansion. Given the above, we are cautiously optimistic that we will be able to deliver sustainable earnings for the Group.
66.	Now is already 15 months of learning curve from the pandemic, has the Group normalised its costs? What are the opportunities tapped by the Group in the midst of this crisis?	<ul style="list-style-type: none"> - The COVID-19 pandemic is still constantly evolving and therefore challenging for many businesses. - Our construction sector was impacted due to work stoppage/delayed during the MCO period. - During this pandemic JAKS Hai Duong power plant was completed ahead of schedule. Even with the lockdown implemented in Vietnam, the power plant is categorised as essential sector and we managed to achieve COD earlier than the contractual dateline.
67.	JAKS did aggressive fund-raising activities; FY20 - RM245.3mn, FY19 - RM40.9mn, FY18 - RM99.1mn, FY17 - RM74.4mn with number of shares increased from 584.6mn to d to 1.76bn currently, a threefold increase. With the private placement exercise in May 21, it will rise to 2.2-2.3 billion shares soon. The NTA increases	<ul style="list-style-type: none"> - The numbers above appear somewhat inaccurate. For example, the proceeds raised from the rights issue exercise in FY20 was RM237 million, instead of RM245.3 million. We did not perform any verification of the figures mentioned above and not in a position to confirm its accuracy. - To answer to your question, JAKS' venture into Power sector is capital-intensive in nature. The

	faster than earnings. When can JAKS be self-sufficient and able to use its internal generated to fund its new and existing businesses, without relying on equity issuance?	<p>investment to date, has started to produce results, where the plant has been completed and has commenced operations in late 2020.</p> <ul style="list-style-type: none"> - We will continue to evaluate our business financial position and decide which capital structure options are the best for our business expansion in the near future. Any decision made will be in the best interest of the Group and the shareholders.
68.	One of its energy peers, Mega First Corporation Berhad is one of the few energy companies that has strong earnings outlook, fundamental base income and growth trajectory in coming years. It is supported by its management guidance that has been honest, transparent and importantly factual. Going forward, can JAKS deliver the same results as Mega First?; with strong management team that can deliver superior value to its shareholders	<ul style="list-style-type: none"> - At JAKS, we are committed to delivering sustainable earnings and value to our shareholders. - We have since streamlined our businesses to focus on our construction sector and power sector. - As you can see, our investment in the Hai Duong power plant has generated profits for JAKS, since the commencement of the operations of the first unit in November last year. - Going forward, we are committed to enhance the Group's profitability and long term sustainability.
69.	Why JAKS has been always among the top 4 companies having the highest Net Short Position in KLSE for the last few months. Does it reflect a lack of confidence on JAKS by the public?	<ul style="list-style-type: none"> - Being in the net short position is beyond JAKS' control. However, we believe that this does not reflect the lack of confidence by the public. - Short term traders generally take advantage of the short term volatility of the share price. Once share price increases, the traders will dispose of the shares to take up profits. - We have our fair share of long term investors who have been with us for some time.
70.	What are the plans of the Group to become a formidable energy player in the market? Does the Group has the right people and resources?	<ul style="list-style-type: none"> - We have recently been shortlisted for the LSS4 project, which will serve as a launchpad for us to embark into more renewable energy and solar project. - We are also exploring potential value-accretive opportunities and/or assets in Malaysia, Vietnam and Indonesia to expand and diversify our footprint. - The Group has the right people and resources, as evidenced by the completion and the commencement of the operation of the Hai Duong power plant.
71.	Is there any upcoming new projects aside from LSS4?	<ul style="list-style-type: none"> - We are actively exploring for opportunities at this juncture and any firmed outcomes will be announced accordingly.
72.	Any further rights issue within this year?	<ul style="list-style-type: none"> - Any decisions to carry out any other fund raising exercises will be carefully considered after taking into account the financial position and funding requirements of the Group, the market conditions

		and suitable potential opportunities that is available.
73.	The last 5 years of financial performance is anything but good despite numerous of contracts and 5 years of fund raising from shareholders. BOD please explain and how to overcome these shortfall in future?	<ul style="list-style-type: none"> - A point of correction, the Group's financial performance has been profitable for the past 5 years except FYE2020 which was impacted by Covid-19 pandemic - We will continue to focus on our construction and power sectors, which will help us to enhance our earnings, moving forward. - The % share of profit from JHDP will boost our profitability and provides a cushion during the Covid-19 pandemic. - Additionally, the new LSS4 will also help to improve our recurring income, upon the completion of the project.
74.	Impairment loss on goodwill and receivables: Has INED request external auditor to do a forensic audit to determine whether any fraud or gross negligence and failure to perform fiduciary duty by the Management and Executive Directors in overpaying assets/acquisitions and not taking proper legal action in recovering receivables?	<ul style="list-style-type: none"> - Proper assessment and evaluation was made with regards to the impairments made and this is in accordance with accounting standards requirements. - Appropriate measures are being taken to provide for impairment and to recover the receivables. It is prudent to expect impairments, in light of the current challenging Covid-19 pandemic faced by all. - The management of JAKS has fulfilled their fiduciary duty and has acted in the best interest of the company.
75.	INED, JRB had without fail needed yearly fund-raising exercise either through RI or PP and with current proposed Private Placement of up to 552,787,900 new ordinary shares in JRB, the NOSH will cross over 2billion+. Is the Management and Executive Directors acting objectively in the best interests of the shareholders with repeat RI and PP?	<ul style="list-style-type: none"> - In any normal circumstances, all decisions made are based on justifiable assessments and evaluations. This include implementing any corporate exercises, such as rights issue or private placement exercises. - Our management and the executive directors have beyond doubt acted in the best interest of both the company and the shareholders in any of the decisions made. Principally, the management is committed to grow the company and to enhance shareholders' value.

=====THE END=====