

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

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY
HELD ON A FULLY VIRTUAL BASIS AT THE BROADCAST VENUUE AT TRICOR
LEADERSHIP ROOM, UNIT 32-01, LEVEL 32, TOWER A, VERTICAL BUSINESS
SUITE, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUA
LUMPUR ON FRIDAY, 3 MARCH 2023 AT 3.00 P.M.**

PRESENT: As per Attendance List.

EGM/1 PRELIMINARY

Tan Sri Datuk Hussin Bin Haji Ismail, the Chairman of the Meeting, welcomed everyone present at the Meeting.

EGM/2 QUORUM

The requisite quorum being present pursuant to Article 78 of the Company's Constitution, the Chairman declared the Meeting duly convened at 3.00 p.m.

EGM/3 NOTICE OF MEETING

The Notice convening the Meeting having been previously circulated to all shareholders and advertised in the New Straits Times newspaper on 10 February 2023 was taken as read.

**EGM/4 INTRODUCTION TO REMOTE PARTICIPATION AND ELETRONIC
VOTING**

The Chairman informed that the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator and Scrutineer Solutions Sdn Bhd as Independent Scrutineer of the Meeting to verify the poll results of the Meeting.

The Poll Administrator was then invited to brief the shareholders on the administrative matters on how to raise questions, raise hands and voting by poll over the virtual platform.

JAKS RESOURCES BERHAD

Registration No. 200201017985 (585648-T)

Minutes of Extraordinary Annual General Meeting held on 3 March 2023 [Cont'd]

EGM/5

ORDINARY RESOLUTION**PROPOSED PRIVATE PLACEMENT OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF JAKS RESOURCES BERHAD (“PROPOSED PRIVATE PLACEMENT”)**

The Chairman informed the shareholders present that the resolution to be tabled at the meeting was to seek the approval of the shareholders for the Board to grant subscription rights and to allot and issue up to 292,884,436 new ordinary shares in JAKS Resources Berhad representing approximately 10% of the existing total number of issued shares without first offering the Placement Shares to the existing shareholders. The Circular dated 10 February 2023 setting out details of the Proposed Private Placement was circulated to the shareholders earlier providing the relevant information for your consideration.

The Chairman also informed the shareholders present that there were several pre-meeting questions submitted earlier and he invited Mr Ang Lam Poah, Mr TJ Lim and representatives from UOB Kay Hian to provide the answers. He also invited the shareholders to submit their questions on the resolution.

The answers to the questions raised are attached per Appendix A

There being no further question, the Chairman propose for the Ordinary Resolution on the Proposed Private Placement as set out in the Notice of EGM be put to vote. The motion was duly seconded by Mr Ang Lam Poah and the Chairman put the motion to vote by poll.

EGM/6

REMOTE ELETRONIC VOTING

The Chairman informed that he had been appointed to act as proxy for a number of shareholders and he would vote in accordance with the instruction given. The Members were asked to cast their votes online if they had not done so earlier.

The Chairman then announced that the Meeting would be adjourned at 3.25 p.m. for the counting of votes and would resume once the counting of the votes were completed.

EGM/7

RESULTS OF POLL

The Chairman reconvened the Meeting at 3.41 p.m. He informed that the Independent Scrutineers had advised him of the results of the poll and the same was shown on the screen for the Members' information.

JAKS RESOURCES BERHAD

Registration No. 200201017985 (585648-T)

Minutes of Extraordinary Annual General Meeting held on 3 March 2023 [Cont'd]

The results announced were as follows:

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution	476,971,190	94.0251	30,309,609	5.9749

Based on results of the poll, the Chairman declared the Ordinary Resolution as below duly carried

PROPOSED PRIVATE PLACEMENT OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF JAKS (“PROPOSED PRIVATE PLACEMENT”)

“THAT, subject to all approvals being obtained from the relevant authorities and/or parties, if applicable, approval be and is hereby given to the Board of Directors of the Company (“Board”) to grant subscription rights and to allot and issue up to 292,884,436 new ordinary shares in JAKS (“JAKS Share(s)” or “Share(s)”) (“Placement Share(s)”), representing up to approximately 10% of the existing total number of issued JAKS Shares without first offering the Placement Shares to the holders of existing issued JAKS Shares pursuant to Article 65 of the Constitution of the Company (“Constitution”);

THAT, approval be and is hereby given to the Board to determine the issue price for each tranche of the Placement Shares at a later date based on a discount of not more than 10.0% to the 5-day volume-weighted average market price (“VWAP”) of JAKS Shares up to and including the last trading day immediately prior to the price-fixing date for each tranche;

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

THAT, the Board be and is hereby authorised to utilise the proceeds to be raised from the Proposed Private Placement for such purposes and in such manner as set out in Section 2.6 of the circular to shareholders dated 10 February 2023 (“Circular”) and the Board be and is hereby authorised with full power to vary the manner and/or purpose of the utilisation of such proceeds in such manner as the Board deems fit, necessary and/or expedient, or in the best interest of the Company, subject to the approval of the relevant authorities (where required);

JAKS RESOURCES BERHAD

Registration No. 200201017985 (585648-T)

Minutes of Extraordinary Annual General Meeting held on 3 March 2023 [Cont'd]

AND THAT, the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Private Placement with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as they deem fit, necessary and/or expedient to implement, finalise and give full effect to the Proposed Private Placement.”

EGM/8

TERMINATION

There being no further business, the meeting terminated at 3.43 p.m. with a vote of thanks to the Chair.

SIGNED AS CORRECT RECORD

CHAIRMAN

APPENDIX A

SHAREHOLDERS' QUESTIONS EXTRAORDINARY GENERAL MEETING OF THE COMPANY

Date : 3 March 2023, Friday

Time : 3:00pm

Location : Tricor Leadership Room, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

No.	Queries	Responses
1	Has JAKS received dividend from its' joint venture entity, JAKS Hai Duong Power Co Limited ("JHDP")?	A total of RM70.12 million of dividend has been remitted to JAKS for year 2022. Please refer to the cashflow statement in our quarterly result for 31 December 2022.
2	What is the status of the subscription of additional 10% stake in JHDP?	We are in the process of negotiating with financial institutions on the 10% option subscription JHDP. Any decisions made in regards to the exercise will take into account the interest rate climate and financing terms which are favourable to us. Any material updates on the matter will be announced.
3	Why is JAKS embarking on an equity fund-raising exercise given its' low gearing ratio? Would gearing up be a more feasible option? What is the rationale in engaging Kenanga Investment Bank Berhad as an investor instead of en-bloc placement to 3 rd party investors?	<p>Given the existing interest rate climate, the Proposed Private Placement will serve as an additional source of funding for the working capital of our Group without incurring interest expenses as compared to conventional means of debt financing, in addition to strengthening the capital structure of our Group by increasing the capital base of our Company. The proceeds from the private placement is primarily for repayment of loan, which will reduce our interest expenses for approximately RM2.8 million per annum.</p> <p>The arrangement with Kenanga serves as an alternative option and flexibility route for us to raise targeted equity funding whilst enabling our Company to prioritise the placement to third party investors as the primary choice for the Proposed Private Placement. It also provide us with the flexibility and option to cease or terminate the Call Option Agreement at any time at the discretion</p>

JAKS RESOURCES BERHAD

Registration No. 200201017985 (585648-T)

Minutes of Extraordinary Annual General Meeting held on 3 March 2023 [Cont'd]

		of our Company without incurring any termination penalties.
4	What is the future prospect of JAKS' construction division?	<p>The construction sector has been challenging for the past few years, affected by various internal and external factors like war, pandemic, inflation and labour shortages. We had gone through 2 years of COVID-19 MCOs.</p> <p>Nevertheless, we are hoping for revival in the construction sector particularly on government infrastructure projects like water, sewerage, roads, hospitals, etc which is our strength. At the same time our future direction is to expand our Power and Energy division, particularly in renewable energy projects. We hope to secure new projects soon.</p>
5	Does the Company intend to declare dividend this years?	We wish to highlight that the Company had on 13 February 2023 announced a Proposed Dividend Reinvestment Plan exercise which will grant shareholders the option to receive dividends in shares or cash. Any updates on the matter will be announced on Bursa.
6	What is the rationale for the issuance of LTIP Options/Shares?	The LTIP actually preserves the company's cashflow since it saves the company from paying out cash.
7	What is the rationale of issuing new placement shares when the share price as at near all time low?	<p>The pricing of the placement will be fixed at the point of issuance of the shares. What is stated in the EGM circular is illustrative only. Management will take into account the share price and interest of the Company prior to issuance of any new placement shares.</p> <p>The main purpose this private placement is for repayment of loan, which will help us to save the interest expenses of approximately RM2.8 million per annual, which is equivalent to approximate 5% of our earning in financial year 2022.</p>

JAKS RESOURCES BERHAD

Registration No. 200201017985 (585648-T)

Minutes of Extraordinary Annual General Meeting held on 3 March 2023 [Cont'd]

8	Any door gift for shareholder who attend this meeting?	We will take this into consideration for future meetings.
9	When is the expected commercial operations date for the LSS4 project?	Currently the construction progress is approximately 90% completed. We target to achieve commercial operation date by 2 nd quarter 2023.
10	With this round of cash call, would the Company be self-sufficient and able to turnaround its businesses? What has been done by the management to ensure that it doesn't face with any tightening of liquidity in the Group, including major restructuring of its management team and staff?	<p>After this round of private placement, we are able to reduce our debt and consequently reduce our interest expenses.</p> <p>In addition, our staff cost has decreased by 27.3% in FYE 2021 as compared to FYE 2020. We continuously monitor and control our staff costs.</p>
11	Kindly provide the salient terms of the call option agreement with Kenanga Investment Bank Bhd ("KIBB") for up to 209.03 million placement shares? What is the rationale for this arrangement with KIBB and how this would impact its tumbling share price of JAKS?	<p>The salient terms of the Call Option Agreement is set out in Appendix I of the Circular dated 10 February 2023.</p> <p>This arrangement serves as an alternative option for us to raise targeted equity funding whilst enabling the Company to prioritise the placement to third party investors. However, we wish to emphasise that the Call Option Agreement has been structured to provide our Company with the flexibility and option to cease or terminate the Call Option Agreement at any time at the discretion of our Company without incurring any termination penalties.</p> <p>For information purposes, each Sub Tranche is deliberately sized to be fairly small (i.e. relative to the number of Shares and its general trading volume). Therefore, the sale of each Sub-Tranche via an on-market trade is not expected to cause undue downward pressure on the share price.</p>
12	What is this 1.991mil foreign currency translation gained from? It is due to the profit received from the joint venture?	This is the movement in the translation reserve due to currency exchange that goes to Other Comprehensive Income.

JAKS RESOURCES BERHAD

Registration No. 200201017985 (585648-T)

Minutes of Extraordinary Annual General Meeting held on 3 March 2023 [Cont'd]

13	How does strengthening of Ringgit Malaysia (“RM”) and rising interest rates affect the investment returns from JHDP?	<p>Both events will adversely impact the investment returns from JHDP as:-</p> <p>i. Dividends from JHDP is denominated in USD thus a strong RM may not yield a maximum gain upon conversion. However, exchange rate risk inherently exist in any oversea investments and the Management will continue to monitor the exchange rate movement; and</p> <p>ii. As the loan at JHDP level is based on floating rate, JHDP is subject to higher finance cost in rising interest rate environment.</p>
14	What are the management plans to turnaround its’ property investment segment, in particular Pacific Towers Business Hub & Evolve Concept Mall?	<p>As at end of February 2023, the occupancy rate for Pacific Towers and Evolve Concept Mall are 37% and 57% respectively.</p> <p>The overall market conditions for commercial and retail properties is challenging for all property owners. We focus to improve the occupancy and yield of the 2 properties. For the Pacific Towers Business Hub, the residential and commercial blocks have been completed and handed over to the buyers. We hope that reopening of economy and increased vibrancy will attract more high-quality tenants. We see a slight improvement in the tenancies, and inquiries are starting to pick up particularly for the food & beverage and entertainment sector. We are now working closely with a property consultant and agency to help us drive the tenancy and marketing to potential tenants.</p> <p>For Evolve Concept Mall, we are focusing on repurposing the mall into event hosting, sports and recreational activities, premium retirement/wellness home, nursery, digital economy, e-commerce and co-working space. We have seen an increase in demand for</p>

JAKS RESOURCES BERHAD

Registration No. 200201017985 (585648-T)

Minutes of Extraordinary Annual General Meeting held on 3 March 2023 [Cont'd]

		<p>event hosting areas and expect this We have observed improved footfall in the mall since the reopening of the economic sectors in April last year year. As such, we are hopeful that the occupancy rate will continue to improve in tandem with the economic recovery.</p> <p>Nevertheless, we are keeping our options open to monetise the property if an opportunity arises.</p>
15	Will there be new fund-raising exercises in the near future?	<p>The Private Placement is expected to reduce the gearing ratio of JAKS from 0.29 to 0.23 which will provide the Company more headroom to gear up for future expansion. Nevertheless, Management will take into consideration JAKS' liquidity position and investment requirements for new projects prior to embarking any new fund-raising exercises.</p>