

JAKS RESOURCES BERHAD
REGISTRATION NO. 200201017985 (585648-T)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

THE FIGURES HAVE NOT BEEN AUDITED

The Directors are pleased to announce the 1st Quarter unaudited financial results for the financial period ended 31 March 2021

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current Year Quarter ended 31-Mar-2021	Preceding Year Quarter ended 31-Mar-2020	Current Year To-date ended 31-Mar-2021	Preceding Year To-date ended 31-Mar-2020
	RM'000	RM'000	RM'000	RM'000
Revenue	17,454	75,220	17,454	75,220
Cost of Sales	(15,840)	(72,599)	(15,840)	(72,599)
Gross Profit	1,614	2,621	1,614	2,621
Other Operating Income / (Loss)	462	204	462	204
Other Operating, Administrative Expenses	(10,794)	(12,503)	(10,794)	(12,503)
Operating Profit/(Loss) before finance cost	(8,718)	(9,678)	(8,718)	(9,678)
Finance cost	(5,798)	(7,124)	(5,798)	(7,124)
Operating Profit/(Loss) after finance cost	(14,516)	(16,802)	(14,516)	(16,802)
Share of Profit / (Loss) in Joint Venture	29,810	-	29,810	-
Profit/(Loss) Before Taxation	15,294	(16,802)	15,294	(16,802)
Taxation	(415)	(634)	(415)	(634)
Net Profit/(Loss) For The Period	14,879	(17,436)	14,879	(17,436)
Total Comprehensive Income/(Loss) for the Period	14,879	(17,436)	14,879	(17,436)
<u>Net Profit/(Loss) For The Period Attributable to :</u>				
Owners of the Company	19,747	(6,220)	19,747	(6,220)
Non-Controlling Interests	(4,868)	(11,216)	(4,868)	(11,216)
	14,879	(17,436)	14,879	(17,436)
Earnings/(Loss) Per Share attributable to Owners of the Company (sen) :				
- Basic	1.13	(0.96)	1.13	(0.96)
- Diluted	0.99	(0.90)	0.99	(0.90)
Weighted average number of Ordinary Shares in issue	1,755,168	649,272	1,755,168	649,272
Weighted average number of Ordinary Shares in issue (diluted)	1,990,640	687,915	1,990,640	687,915

Notes :

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying notes attached to the interim financial statements.

JAKS RESOURCES BERHAD
REGISTRATION NO. 200201017985 (585648-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	As At End Of Financial Year End 31-Mar-2021 RM'000	As At End Of Financial Year End 31-Dec-2020 RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	102,363	102,807
Investment properties	619,716	623,177
Investment in Joint Venture	601,150	481,561
Golf Club memberships	311	311
Goodwill on Consolidation	76,136	76,136
Right of use of Assets	227	265
	1,399,903	1,284,257
Current Assets		
Inventories	483	483
Contract assets	209,174	276,709
Trade and Other Receivables	356,949	381,898
Amount due from Joint Venture	11,068	10,588
Deposits placed with licensed banks	33,666	46,079
Cash and bank balances	27,356	128,503
	638,696	844,260
Total Assets	2,038,599	2,128,517
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	925,000	924,998
Reserves	7,959	8,675
Accumulated Profit	230,023	210,276
	1,162,982	1,143,949
Non-controlling interests	(21,284)	(16,416)
TOTAL EQUITY	1,141,698	1,127,533
Non-Current Liabilities		
Long Term Borrowings	318,928	318,942
Deferred Tax Liabilities	101	101
	319,029	319,043
Current Liabilities		
Trade and Other Payables	524,582	613,661
Bank borrowings	46,764	60,087
Bank overdraft	6,526	8,193
	577,872	681,941
TOTAL EQUITY AND LIABILITIES	2,038,599	2,128,517
No of Ordinary Shares	1,755,171	1,755,167
Net Assets Per Share attributable to Owners of the parent (RM)	0.66	0.65

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying notes attached to the interim financial statements).

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	Current Year 3 Months ended 31-Mar-2021 RM'000	Preceding Year 3 Months ended 31-Mar-2020 RM'000
Cash flows from operating activities		
Profit / (Loss) before tax for the year	15,294	(16,802)
Adjustment for:		
Depreciation and amortisation	3,955	3,235
Interest expense	5,798	7,124
Interest income	(117)	(81)
Share of (Profit) / Loss in Joint Venture	(29,810)	-
Provision for liquidated ascertained damages	-	9,837
Operating Profit/(Loss) before working capital changes	(4,880)	3,313
(Increase)/Decrease in working capital		
Inventories	-	25,166
Amount due from customers for contract works	67,535	(109,772)
Trade and other receivables	24,985	90,489
Trade and other payables	(88,434)	(48,652)
	4,086	(42,769)
Net Cash from/(used) in Operating activities	(794)	(39,456)
Interest paid	(2,326)	(3,695)
Income tax paid	(1,059)	(423)
Net Operating Cash Flow	(4,179)	(43,573)
Cash flows from investing activities		
Purchase of property, plant & equipment	(49)	(320)
Interest received	117	81
Addition to investment properties	-	1,350
Addition to investment in Joint Venture company	(90,259)	(5,534)
Withdrawal / (Placement) of Fixed Deposits	12,413	1,661
Net Investing Cash Flow	(77,778)	(2,761)
Cash flows from financing activities		
Net Proceeds from shares issued	-	5,120
Proceeds from conversion of warrant to share	2	-
Interest paid	(3,472)	(3,429)
Drawdown / (Repayment) of short term borrowings	(13,323)	(9,076)
Drawdown (Repayment) of hire purchase liabilities	-	80
Drawdown / (Repayment) of bank term loans	(14)	(1,500)
Net Financing Cash Flow	(16,807)	(8,805)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021. (Cont.)**

	Current Year 3 Months ended 31-Mar-2021	Preceding Year 3 Months ended 31-Mar-2020
	RM'000	RM'000
Net Change in Cash & Cash Equivalents	(98,764)	(55,140)
Cash & Cash Equivalents at beginning of the year	116,534	85,976
Translation Reserve	(716)	(5,695)
Cash & Cash Equivalents at end of the period.	17,054	25,141

Cash and Cash Equivalents

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts.

Deposits placed with licensed banks	33,666	47,572
Cash & bank balances	27,356	37,580
Bank overdrafts	(6,526)	(8,734)
	54,496	76,418
Less : Deposit held as security values	(33,666)	(47,572)
Debt service reserves account	(3,776)	(3,705)
	17,054	25,141

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying notes attached to the interim financial statements).

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REGISTRATION NO. 200201017985 (585648-T)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	Attributable to Equity Holders of the Company							Non-Controlling Interest RM'000	Total Equity RM'000
	Non-Distributable				Distributable				
	Share Capital RM'000	Share Options Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Sub-Total RM'000		
Current Year Quarter ended 31 March 2021.									
Balance as at 1 January 2021	924,998	2,576	244,027	(221,420)	(16,508)	210,276	1,143,949	(16,416)	1,127,533
Total Comprehensive Income/(Loss) for the Period	-	-	-	-	-	19,747	19,747	(4,868)	14,879
Foreign currency translation	-	-	-	-	(716)	-	(716)	-	(716)
Issuance of ordinary shares Exercise of Warrants	2	-	(2)	2	-	-	2	-	2
Balance as at 31 March 2021.	925,000	2,576	244,025	(221,418)	(17,224)	230,023	1,162,982	(21,284)	1,141,698
Preceding Year Quarter ended 31 March 2020									
Balance as at 1 January 2020	659,642	2,576	25,607	-	(11,551)	301,675	977,949	(58,094)	919,855
Total Comprehensive Income/(Loss) for the Period	-	-	-	-	-	(6,220)	(6,220)	(11,216)	(17,436)
Foreign currency translation	-	-	-	-	(5,695)	-	(5,695)	-	(5,695)
Issuance of ordinary shares Warrants	5,120	-	-	-	-	-	5,120	-	5,120
Balance as at 31 March 2020	664,762	2,576	25,607	-	(17,246)	295,455	971,154	(69,310)	901,844

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying notes attached to the interim financial statements).

A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation.

The interim financial statements are unaudited and have been prepared in compliance with FRS 134 “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2020.

The accounting policies and methods of computations followed by the Group in this interim financial report are consistent with those adopted in financial statements of the Group for the year ended 31 December 2020.

2. Qualification of Audit Report on Financial Statements.

The financial statements of JAKS for the financial year ended 31 December 2020 have been reported on without any audit qualification.

3. Seasonal or Cyclical Factors.

The business activities of the Group are not significantly affected by seasonal and cyclical factors.

4. Unusual Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows.

There are no major unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the period under review.

5. Material changes in estimates.

There are no material changes in estimates for the period under review.

A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)

6. Issuance and Repayment of Debt and Equity Securities.

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the financial period under review and up to date of this report, save as listed below:

a) Rights Issue with Warrants

On 24 September 2020, the shareholders of the Company had resolved to approve the Rights Issue with Warrants, and on 9 October 2020, the Company announced that the entitlement basis for the Rights Issue with Warrants is fixed at 8 Rights Shares together with 4 Warrants for every 5 existing shares held, with the issue price of RM0.22 per Rights Share and the exercise price of the Warrants at RM0.49 per share.

On 26 November 2020, the Rights Issue with Warrants was completed with the listing and quotation of 1,080,101,412 Rights Shares and 540,050,650 Warrants on the Official List of Bursa Securities, raising a total proceeds of approximately RM237.62 million.

The status of utilisation of proceeds as at 31 March 2021 is as follows.

Proposed utilisation of proceeds	Proceeds raised RM'000	Utilised as at 31.3.2021 RM'000	Timeframe for utilisation
(i) Subscription of USD30 million ordinary shares in JPP	128,400	128,400	Within 6 months
(ii) Repayment of Bank Borrowings	31,581	31,581	Within 24 months
(iii) Preliminary expenses in relation to venture into new construction projects in Vietnam	10,000	-	Within 36 months
(iv) Future business projects or investments	48,366	48,366	Within 36 months
(v) Working capital	13,675	13,675	Within 36 months
(vi) Estimated expenses for the Right Issue	5,600	5,600	Immediate
	237,622	227,622	

7. Dividend.

No dividend has been paid in respect of the financial period under review.

A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)

8. Segmental Information for the Financial Year Ended 31 March 2021.

Segment information was presented in respect of the Group's business segment. Inter-segment pricing was determined based on a negotiated basis.

Business Segments.

	Construction RM'000	Property Development & Investment RM'000	Investment Holding & Others RM'000	Elimination RM'000	Total RM'000
REVENUE					
External Revenue	15,587	1,864	3	-	17,454
Inter-Company	-	-	1,955	(1,955)	-
	15,587	1,864	1,958	(1,955)	17,454
Segment Results	(3,637)	(5,216)	(327)		(9,180)
Other Income					462
Loss Before Finance Cost					(8,718)
Finance Cost					(5,798)
Loss After Finance cost					(14,516)
Share of Profit in Joint Venture					29,810
Profit Before Taxation					15,294
Taxation					(415)
Profit After Taxation					14,879
<u>Attributable to:</u>					
Owners of the Company					19,747
Non-Controlling Interests					(4,868)
					14,879

A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)

The Group's revenue for the financial year ended 31 March 2021 based on geographical location is presented as follows:

	RM'000
Malaysia	17,454
Vietnam	-

Total	17,454
	=====

9. Valuation of Property, Plant & Equipment.

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial statement for the year ended 31 December 2020.

10. Significant Events.

There were no significant subsequent events between the date of the last financial statements used in the preparation of this report and the date of this report, which will affect materially the content of this report.

11. Effect of Changes in the Composition of the Group.

There were no changes in the composition of the Group during the period under review, save as listed below:

On 14 April 2021, the Company had incorporated a wholly-owned subsidiary, JAKS Solar Nibong Tebal Sdn Bhd, with issued capital of RM100.00 to undertake the Large Scale Solar (LSS4) project.

12. Changes in Contingent Liabilities.

The changes in contingent liabilities of the Group since 31 December 2020 until 31 March 2021 were as follows: -

	As at 31 Mar 2021 RM'000	As at 31 Dec 2020 RM'000
Bank guarantees issued for execution of contracts of the Company or Subsidiaries company	48,219	41,203
	=====	=====

13. Material Commitment

There are no material commitments incurred or known to be incurred by the Group that has not been provided for, which upon becoming enforceable, may have a material impact on the financial results/position of the Group.

JAKS RESOURCES BERHAD

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B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)**1. Review of Financial Performance.**

a) Revenue

Segment	Current Year Quarter Ended 31/3/2021 RM'000	Preceding Year Quarter Ended 31/3/2020 RM'000	Changes %	Current Year To-date Ended 31/3/2021 RM'000	Preceding Year To-date Ended 31/3/2020 RM'000	Changes %
Construction	15,587	75,645	(79)	15,587	75,645	(79)
Property Development & Investment	1,864	9,325	(80)	1,864	9,325	(80)
Less Provision for Liquidated ascertained damages ("LAD")	-	(9,837)	(100)	-	(9,837)	(100)
	<u>1,864</u>	<u>(512)</u>	<u>464</u>	<u>1,864</u>	<u>(512)</u>	<u>464</u>
Investment Holding & Others	3	87	(97)	3	87	(97)
Total	17,454	75,220	(77)	17,454	75,220	(77)

JAKS RESOURCES BERHAD

REGISTRATION NO. 200201017985 (585648-T)

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

b) Profit / (Loss) Before Tax

Segment	Current Year Quarter Ended 31/3/2021 RM'000	Preceding Year Quarter Ended 31/3/2020 RM'000	Changes %	Current Year To-date Ended 31/3/2021 RM'000	Preceding Year To-date Ended 31/3/2020 RM'000	Changes %
Construction	(4,336)	6,481	(167)	(4,336)	6,481	(167)
Property Development & Investment	(9,932)	(18,711)	47	(9,932)	(18,711)	47
Investment Holding & Others	(248)	(4,572)	95	(248)	(4,572)	95
Share of Profit in Joint Venture	29,810	-	100	29,810	-	100
	29,562	(4,572)	747	29,562	(4,572)	747
Total	15,294	(16,802)	191	15,294	(16,802)	191

The Group achieved lower revenue of RM17.5 million for the current quarter ended 31 March 2021, compared to the previous year's corresponding quarter of RM75.2 million. The decrease was mainly due to the lower revenue recognised from the Construction division, including from the Vietnam EPC construction works as it had almost reached the tail end of the project. There is no recognition of revenue from the Vietnam EPC construction works in the current quarter as compared to RM36.2 million recognised in the previous year's corresponding quarter.

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

The Group recorded a profit before tax of RM15.3 million in the current year first quarter as compared to a loss before tax of RM16.8 million in the preceding year's corresponding quarter. The higher profit before tax for the current quarter was mainly due to the RM29.8 million share of 30% profit in JAKS Hai Duong Power Company Limited ("JHDP") following the commencement of commercial operation ("COD").

The Construction division contributed a lower revenue of RM15.6 million (Q1 2020: RM75.6 million) and incurred a loss before tax of RM4.3 million (Q1 2020: profit before tax RM6.5 million) in the current quarter under review, in the absence of contribution from the Vietnam EPC construction works for the quarter. The local construction works has also been adversely affected by the COVID-19 pandemic and various MCO measures resulting in work interruptions, delays, additional MCO related costs, supply chain disruption as well as shortage of labour and materials.

The Property Development & Investment division contributed RM1.9 million in revenue as compared to a negative revenue of RM0.5 million in the previous year's corresponding quarter (after provision for liquidated ascertained damages). This division recorded a lower loss before tax of RM9.9 million as compared to a loss before tax of RM18.7 million in the first quarter of 2020 following the disposal of its loss making Property Development subsidiary in the third quarter of 2020.

The Investment Holding & Others division recorded a higher profit before tax of RM29.6 million in the quarter under review as compared to a loss before tax of RM4.6 million incurred in the preceding year's corresponding quarter. The higher profit before tax on this division was mainly from the share of profit in JHDP.

2. Variation of Results against Preceding Period.

	Current Year Quarter 1/1/21-31/3/21 <u>RM'000</u>	Immediate Preceding Quarter 1/10/20 – 31/12/20 <u>RM'000</u>	Changes %
Revenue	17,454	45,992	(62)
Profit / (Loss) before tax	15,294	(183,457)	(279)

The Group achieved lower revenue of RM17.4 million for the current quarter, compared to revenue of RM46.0 million in the preceding quarter ended 31 December 2020. Despite the lower revenue, the Group recorded a profit before tax of RM15.3 million in the current quarter compared to a loss before tax of RM183.5 million in the preceding quarter ended 31 December 2020. The current quarter profit before tax was mainly from the RM29.8 million share of profit in JHDP as mentioned in the foregoing.

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

3. Prospects

The prospects of economic recovery is undoubtedly largely dependent on the abatement of the COVID-19 pandemic and the “on-off” paralysis effects of the prolonged Movement Control Orders (“MCO”). Towards this, timely vaccination roll-out is the key to achieve herd immunity and hence to curb the disease.

The Group will continue to focus on its Power & Energy division, particularly in execution of its latest large scale solar photovoltaic plants (“LSS4”) renewable energy project. At the same time the JAKS Hai Duong Power Plant in Vietnam has already achieved Commercial Operations (“COD”) and has started to provide steady recurring income to the Group.

On the Construction division, construction works for the Vietnam EPC project is nearing tail end with the completion/COD of the JAKS Hai Duong Power Plant whilst most local construction projects are also at advanced stages of completion. The Group is selectively bidding and/ or negotiating for new construction projects by targeting higher margin projects to replenish its order book for the local construction division.

The outlook for the Group’s investment properties remains challenging following the reinstatement of MCO in January 2021 in the Klang Valley on the back of resurgence of COVID-19 transmission. The uncertainties surrounding the roll-out of vaccine and prolonged restrictive movements are expected to further delay the recovery for the Evolve Concept Mall in Ara Damansara, Selangor and the Pacific Towers Business Hub in Section 13, Petaling Jaya, Selangor. Nevertheless, the Group is consistently exploring various options and initiatives to revamp and rejuvenate the Mall and Business Hub to improve its occupancy rate and rental yield.

Barring any unforeseen circumstances, the Group is cautiously optimistic of the future prospects.

4. Profit Forecast / Guarantee.

The Company did not issue any profit forecast or guarantees.

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

5. Taxation.

Included in the taxation are the following:

	Current Quarter Ended 31 Mar 2021 RM'000	Year-to-date Ended 31 Mar 2021 RM'000
Taxation	415	415
	=====	=====

The tax provision was based on the estimated taxable amount. The tax charge of the Group is mainly from profitable subsidiaries' taxation, and for tax purposes, cannot be utilised to set off against losses of other companies within the Group. The effective tax rate was lower as most of the Group's profit generated were derived from the Vietnam operations with low tax rate of 1% to 2%.

6. Group Borrowings.

Group borrowings as at 31 March 2021 including interest denominated in Ringgit Malaysia are as follows: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	46,764	-	46,764
Overdraft	6,526	-	6,526
Long term borrowings	318,928	-	318,928
	-----	-----	-----
Total	372,218	-	372,218
	=====	=====	=====

7. Notes to the statement of comprehensive income.

The profit before taxation is derived after taking into consideration the following:

	Year-to-date Ended 31 Mar 2021 RM'000
<u>Expenses</u>	
Interest Expense	5,798
Depreciation and Amortisation	3,955
<u>Income</u>	
Interest Income	117
Share of Profit in joint venture	29,810

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

8. Material Litigation.

(a) Star Media Group Berhad (“STAR”) Claim

The Star Media Group Berhad (“STAR”) had on 30 April 2019 served a Writ of Summons and Statement of Claims against the Company claiming that the Company as corporate guarantor to JAKS Island Circle Sdn Bhd (“JIC”) is liable for JIC’s purported default of obligations under the Sale and Purchase Agreement (“SPA”) dated 19 August 2011 executed by STAR with JIC. The claim is for specific relief and damages for the total amount of RM177.7 million. On 27 May 2019, the Company also filed its Defence and Counterclaim.

On 1 August 2019, STAR had filed an application pursuant to Order 14A, Order 18 and Order 81 of the Rules of Court 2012 (“ROC”) to have their claim decided based on question of law and/or construction of orders and grounds of judgement which they have previously obtained.

On 7 August 2020, the Company announced that the High Court has allowed STAR’s application in part and ruled that the Company is to pay damages to STAR, being late payment interest at the rate of 8% per annum on the Balance Purchase Price of RM134,500,000 from 25 October 2015 to 6 July 2020.

The Company was further advised by its solicitors that in delivering the High Court’s decision: -

1. the High Court did not allow STAR’s claim for payment of RM134,500,000 being the Balance Purchase Price;
2. the High Court was of the view that delivery of the STAR’s entitlement as defined in the Sale and Purchase Agreement dated 19 August 2011, had occurred on 6 July 2020;
3. the High Court did not allow any late payment interest on the Balance Purchase Price thereafter from 6 July 2020
4. STAR’s claim and the Company’s counterclaim had been disposed by the High Court.

Accordingly, the Company’s counterclaim was struck out.

The Company filed for an appeal to the Court of Appeal against the decision of the High Court on 7 August 2020. Similarly, STAR also appealed to the Court of Appeal against the decision of the High Court on 7 August 2020. Upon counsel’s advice, the parties have agreed for both appeals to be heard on 27 July 2021.

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

(b) Claim against STAR at Kuala Lumpur High Court

On 30 May 2019, the Company and JIC filed a claim against STAR at the Kuala Lumpur High Court for breach of the Sale and Purchase Agreement dated 19 August 2011 on the following reliefs:

- a declaration that the Completion Period for JIC to deliver STAR's entitlement under the SPA is on 20 June 2020;
- a declaration that STAR has breached SPA;
- a declaration that STAR is unjustly enriched;
- the sum of RM248,242,987.62 to be paid to JIC as liquidated ascertained damages;
- the sum of RM297,035,481 to be paid to JRB as loss of proceeds from corporate fund raising exercises;
- the sum of RM50,000,000 together with all interests and all related costs incurred thereto pursuant to the Bank Guarantee that is to be refunded and/or returned to JIC within 7 days from the date of the Court Order, and
- damages.

Similarly, STAR had filed an application pursuant to Order 14A and Order 18 Rule 19 of the ROC to have Company's claim decided based on question of law and/or construction of orders and grounds of judgement which they have previously obtained.

On 28 September 2020, the High Court dismissed the application filed by STAR. STAR had appealed against the decision dated 28 September 2020.

By consensus of the parties, the appeal will be heard together with the two appeal(s) lodged by the Company and Star against the decision of the High Court dated 7 August 2020 on 27 July 2021.

On 16 April 2021, the Company has filed a Notice of Motion at the Court of Appeal for a Stay of Execution of the Order granted by the High Court on 7 August 2020 following the dismissal of the Company's application for a stay of execution of the similar order at the High Court on 24 March 2021. The Notice of Motion filed at the Court of Appeal for a Stay of Execution of the Order granted by the High Court on 7 August 2020 was at the Case Management on 4 May 2021, fixed for Hearing on 19 July 2021.

9. Dividend

No dividend has been declared for the quarter under review.

JAKS RESOURCES BERHAD

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B. ADDITIONAL INFORMATION ON INTERIM FINANCIAL REPORT REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS (Cont'd)**10. Earnings / (Loss) Per Ordinary Share**

The earnings / loss per share has been calculated based on the Group's profit / (loss) attributable to owners of the Company for the period and the weighted average number of ordinary shares outstanding as at end of the period.

	<u>Individual Period</u>		<u>Cumulative Period</u>	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Quarter	To-date	To-date
	Ended	Ended	Ended	Ended
	31/3/21	31/3/20	31/3/21	31/3/20
	RM'000	RM'000	RM'000	RM'000

a) Basic Earnings/(Loss) Per Share

Profit/(Loss) for the period attributable to owners of the Company	19,747	(6,220)	19,747	(6,220)
Weighted average Number of Share in issue (RM1.00 each)	1,755,168	649,272	1,755,168	649,272
Basic Earnings / (Loss) Per Share (sen)	1.13	(0.96)	1.13	(0.96)

b) Diluted Earnings/(Loss) Per Share

Profit/(Loss) for the period attributable to owners of the Company	19,747	(6,220)	19,747	(6,220)
Weighted average Number of Share in issue (RM1.00 each)	1,755,168	649,272	1,755,168	649,272
Effect of dilution due to issuance of shares	235,472	38,643	235,472	38,643
Adjusted weighted average Number of Share in issue applicable to diluted Earnings/(Loss) per share (RM1.00 each)	1,990,640	687,915	1,990,640	687,915
Earnings/(Loss) Per Share (sen)	0.99	(0.90)	0.99	(0.90)

JAKS RESOURCES BERHAD

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

11. Status of the Corporate Exercise

There were no corporate proposals announced but not completed as at the date of this report.

12. Authorisation for issue.

The interim financial statements were authorised for issue by the Board of Directors on 21 May 2021.