

## Appendixes - JSSB

## APPENDIX IV – VALUATION CERTIFICATE (CONT'D)

### APPENDIX 1 – Minimum and maximum fair entire equity value of JSSB based on WACC of 5.90%

Minimum value = **RM11.31 million**

Valuation date:- 21 April 2025

WACC 5.90%

#### Valuation using FCFF approach

	Interval in years	FCFF	Discount factor	RM million
30 June 2025	0.1918	3.91	0.9891	3.87
30 June 2026	1.1918	4.13	0.9340	3.85
30 June 2027	2.1918	4.10	0.8819	3.62
30 June 2028	3.1945	4.08	0.8327	3.40
30 June 2029	4.1945	4.03	0.7863	3.17
30 June 2030	5.1945	4.04	0.7425	3.00
30 June 2031	6.1945	4.02	0.7011	2.82
30 June 2032	7.1973	4.00	0.6619	2.65
30 June 2033	8.1973	3.95	0.6251	2.47
30 June 2034	9.1973	3.68	0.5902	2.17
30 June 2035	10.1973	3.68	0.5574	2.05
30 June 2036	11.2000	3.65	0.5262	1.92
30 June 2037	12.2000	3.61	0.4969	1.79
30 June 2038	13.2000	3.56	0.4692	1.67
30 June 2039	14.2000	3.47	0.4431	1.54
30 June 2040	15.2027	3.49	0.4183	1.46
30 June 2041	16.2027	1.48	0.3950	0.58

Enterprise value 42.03

Less borrowings and lease liabilities as at 30 June 2024 (32.1)

Add cash and bank balance as at 30 June 2024 1.41

Add residual value

Salvage value, 100,000

RM per MWac

Size, in MWac 5.99

Discount factor 0.3950

Total fair value of 100% equity interest in JSSB

**11.31**

**Appraised by AER**

Source: 20240820 Cashflow LSS Pakolk Sena (RUS- contra)

## APPENDIX IV – VALUATION CERTIFICATE (CONT'D)

Maximum value = **RM11.55 million**

Valuation date:- 21 April 2025

WACC 5.90%

### Valuation using FCFF approach

	Interval in years	FCFF	Discount factor	RM million
30 June 2025	0.1918	3.91	0.9891	3.87
30 June 2026	1.1918	4.13	0.9340	3.85
30 June 2027	2.1918	4.10	0.8819	3.62
30 June 2028	3.1945	4.08	0.8327	3.40
30 June 2029	4.1945	4.03	0.7863	3.17
30 June 2030	5.1945	4.04	0.7425	3.00
30 June 2031	6.1945	4.02	0.7011	2.82
30 June 2032	7.1973	4.00	0.6619	2.65
30 June 2033	8.1973	3.95	0.6251	2.47
30 June 2034	9.1973	3.68	0.5902	2.17
30 June 2035	10.1973	3.68	0.5574	2.05
30 June 2036	11.2000	3.65	0.5262	1.92
30 June 2037	12.2000	3.61	0.4969	1.79
30 June 2038	13.2000	3.56	0.4692	1.67
30 June 2039	14.2000	3.47	0.4431	1.54
30 June 2040	15.2027	3.49	0.4183	1.46
30 June 2041	16.2027	1.48	0.3950	0.58

Enterprise value 42.03

Less borrowings and lease liabilities as at 30 June 2024 (32.1)

Add cash and bank balance as at 30 June 2024 1.41

Add residual value

Salvage value, 100,000

RM per MWac

Size, in MWac 5.99

Discount factor 0.3950

0.24

Total fair value of 100% equity interest in JSSB

**11.55**

**Appraised by AER**

Source: 2024/08/20 Cashflow LSS Pokok Sena (BIS- contra)

## APPENDIX IV – VALUATION CERTIFICATE (CONT'D)

5.99 MW SOLAR ENERGY IN KEDAH										
RM million										
Projected Cash Flow Statement										
	1	2	3	4	5 = $\Sigma$ 1 to 4	6	7	8	9 = $\Sigma$ 5 to 8	10 = 5 + 8
	Total revenue	Interest income	Total overheads	Total land lease payments	CFO	Net borrowings	Interest expenses	Tax payments	FCFE	FCFF
30 June 2025	4.856	0.08	(0.927)	(0.10)	3.91	0.28	(1.70)	-	2.49	3.91
30 June 2026	4.84	0.12	(0.731)	(0.10)	4.13	(1.95)	(1.61)	-	0.56	4.13
30 June 2027	4.81	0.14	(0.747)	(0.10)	4.10	(1.53)	(1.52)	-	1.06	4.10
30 June 2028	4.78	0.16	(0.763)	(0.10)	4.08	(1.61)	(1.43)	-	1.04	4.08
30 June 2029	4.75	0.19	(0.815)	(0.10)	4.03	(1.70)	(1.35)	-	0.98	4.03
30 June 2030	4.72	0.21	(0.796)	(0.10)	4.04	(1.79)	(1.25)	-	1.00	4.04
30 June 2031	4.69	0.24	(0.813)	(0.10)	4.02	(1.89)	(1.16)	-	0.97	4.02
30 June 2032	4.67	0.26	(0.831)	(0.10)	4.00	(1.99)	(1.05)	-	0.95	4.00
30 June 2033	4.64	0.28	(0.849)	(0.10)	3.97	(2.10)	(0.95)	(0.03)	0.90	3.95
30 June 2034	4.61	0.30	(0.910)	(0.10)	3.91	(2.21)	(0.83)	(0.22)	0.64	3.68
30 June 2035	4.58	0.32	(0.887)	(0.10)	3.92	(2.34)	(0.71)	(0.23)	0.64	3.68
30 June 2036	4.56	0.33	(0.907)	(0.10)	3.88	(2.45)	(0.59)	(0.24)	0.60	3.65
30 June 2037	4.53	0.35	(0.926)	(0.10)	3.85	(2.60)	(0.45)	(0.24)	0.56	3.61
30 June 2038	4.50	0.36	(0.949)	(0.10)	3.81	(2.74)	(0.31)	(0.25)	0.51	3.56
30 June 2039	4.47	0.37	(1.019)	(0.10)	3.73	(2.88)	(0.16)	(0.26)	0.43	3.47
30 June 2040	4.447	0.40	(0.994)	(0.10)	3.76	(1.50)	(0.02)	(0.27)	1.97	3.49
30 June 2041	1.66	0.44	(0.433)	(0.10)	1.57	-	-	(0.09)	1.48	1.48
	<b>76.11</b>	<b>4.51</b>	<b>(14.30)</b>	<b>(1.62)</b>	<b>64.71</b>	<b>(31.02)</b>	<b>(15.09)</b>	<b>(1.83)</b>	<b>16.77</b>	<b>62.88</b>

Source: 20240820 Cashflow LSS Pokok Sena (BIS- contra)

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## APPENDIX IV – VALUATION CERTIFICATE (CONT'D)

**APPENDIX 2** – Computation of equity discount rate of JSSB of 13.36% and WACC of 5.90% respectively

WACC for JSSB									
WACC	=	$\frac{MV(\text{Equity})}{MV(\text{Debt}) + MV(\text{Equity})}$	X	Cost of equity	+	$\frac{MV(\text{Debt})}{MV(\text{Debt}) + MV(\text{Equity})}$	X	Cost of debt	X (1 - Tax)
	=	$\frac{7.75}{32.13 + 7.75}$	X	13.36%	+	$\frac{32.13}{32.13 + 7.75}$	X	5.40%	X 0.76
	=	$\frac{7.75}{39.88}$	X	13.36%	+	$\frac{32.13}{39.88}$	X	5.40%	X 0.76
	=	5.90%							
Appraised by AER		Note: Corporate tax rate in Malaysia is assumed at 24%							

### Discount rate on Valuation Date

	Valuation metrics	CAPM formula	Malaysia
1	Annual expected market return	$r_m$	9.791%
2	Annual risk-free rate	$r_f$	3.782%
3	Equity risk premium	$r_m - r_f$	6.009%
4	Levered beta for Kedah solar plant	beta ( $\beta$ )	1.510
5	Equity risk premium x beta	beta x ( $r_m - r_f$ )	9.08%
6	Required rate of return	$r_f + \text{beta} \times (r_m - r_f)$	12.86%
7	Specific risk	$\varepsilon$	0.50%
8	Equity discount rate	$r_f + \text{beta} \times (r_m - r_f) + \varepsilon$	13.36%
9	Equity discount rate used in the Valuation Certificate by AER		<b>13.36%</b>

Appraised by AER

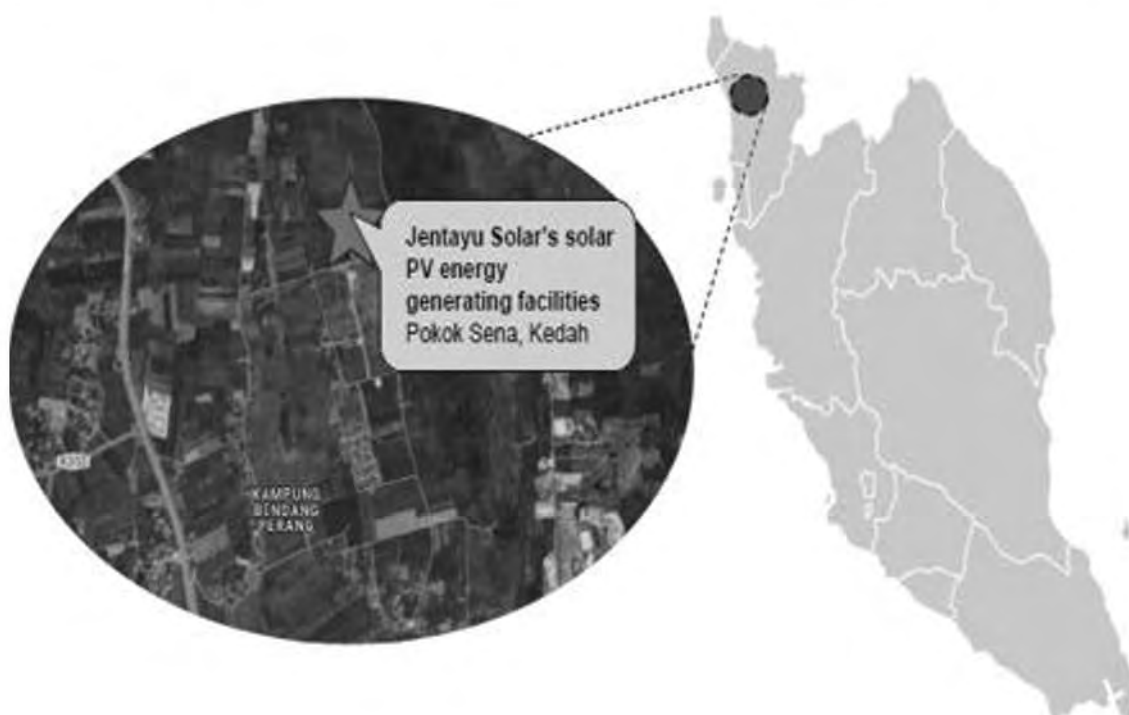
Date	04/21/2025	Region	Custom	Edit Regions			
Country/Region	↑ Curr	Div Yld	Grwth Rate	Div Pay Ratio	Mkt RF Rate Return	Premium	
1)  Malaysia (CRP MY)	MYR	3.761%	7.712%	53.270%	9.791%	3.782%	6.009%

Source: 1: WACC - 21 April 2025 - Iteration-1.pasted

APPENDIX 3 – Average unlevered beta of the industry of 0.3637 appraised on Valuation Date

Hamada Equation									
Beta (B) unlevered		=		$\frac{V_E}{V_E + V_D(1 - \text{tax})} \times$		Beta (B) levered			
Comparable Companies		Enter ticker quote		R <sup>2</sup> (Correlation <sup>2</sup> )		Adjusted Beta (B <sub>adj</sub> )		RM million	
						V <sub>E</sub>	V <sub>D</sub>	V <sub>D</sub> (1 - Effective tax rate)	V <sub>E</sub> [V <sub>E</sub> + V <sub>D</sub> (1 - Effective tax rate)]
CYPARK RESOURCES BHD	CYP MK Equity		0.9345		0.0282	514.3	1,492.6	1,134.4	0.3119
Cypark Resources Bhd offers environmental remediation and landscaping services. The Company acquires and renewables neglected, degraded and contaminated area, maintains recreational fields and children's playgrounds, and offers commercial landscaping services									
SUPER ENERGY CORP PCL	Super TB Equity		0.9610		0.1331	488.9	6,049.7	5,215.4	0.0820
Super Energy Corporation Public Company Limited produces and distributes electricity using solar and alternative energy sources. The Company also offers information technology services. Super Energy Corporation serves customers in Thailand									
SPCG PCL	SPCG TB Equity		0.8090		0.1561	1,044.2	5.0	4.4	0.9958
SPCG PCL is an alternative energy company that is developing solar farms. The Company is developing solar farms located in the Northeastern region of Thailand									
SERIMM POWER CORP CO LTD	SSP TB Equity		0.7856		0.1201	785.6	1,966.1	1,781.4	0.3187
Sermasat Power Corporation Company Limited develops renewable energy projects. The Company offers solar power, biomass, biogas, and wind energy solutions. Sermasat Power serves customer's worldwide.									
B GRIMM POWER PCL	Bgrm TB Equity		1.8940		0.4587	8,678.3	15,206.2	13,519.2	0.2139
B Grinn Power Public Company Limited operates as a renewable energy company. The Company focuses on the development, financing, construction and operation of green field power plants. B Grinn Power also renders electricity distribution, operations, and maintenance services. B Grinn Power serves clients in Asia									
Average						6,301		24,723	
Median									
The higher of average or median									
Industry capital structure						21%		79%	
Note 1 - Beta as extracted from Bloomberg based on weekly measurement from						##### to Monday, April 21, 2025			
Appraised by AER						Median (unlevered of the industry)		Capital Structure of JSSB	
Source: Bloomberg						0.3637		19%	
						J <sub>E</sub> (unl.3)		J <sub>D</sub> (unl.2)	
						7.75		32.13	
						24.42		4.15	
						1		$\frac{V_D(1 - \text{tax})}{V_E}$	
								=	
								1.510	

**APPENDIX 4 – Site pictures of solar generation facility**



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**APPENDIX IV – VALUATION CERTIFICATE (CONT'D)**

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**APPENDIX 5A – Sensitivity analysis on the fair equity value at varying assumptions of the salvage value in the terminal year**

Sensitivity analysis of the fair equity value at varying assumptions of the salvage value in terminal year				
Salvage value in RM per MWac	-	50,000	75,000	100,000
Fair equity value, RM million	11.31	11.43	11.49	11.55

Appraised by AER

*Source:* 20240820 Cashflow LSS Pokok Sena (BIS- contra)*The remaining of this page is left blank intentionally*

## APPENDIX IV – VALUATION CERTIFICATE (CONT'D)

**APPENDIX 5B** – An investment of RM11.50 million with an opening balance of RM1.41 million in JSSB as of 1 July 2024 will yield an equity IRR of 8.10% and a payback period of 8.41 years

For illustration purposes only

### RM million

Valuation date:- 21 April 2025

Equity IRR **8.10%**

No terminal value is assumed

	Amount invested	Cash and bank balance in JSSB - 1 July 2024	Net investment cost / Beginning balance	Imputed interest cost	Annual free cash flow from JSSB	Ending balance
30 June 2025	(11.50)	1.41	(10.09)	(0.16)	2.49	(7.75)
30 June 2026	-		(7.75)	(0.63)	0.56	(7.82)
30 June 2027	-		(7.82)	(0.63)	1.06	(7.40)
30 June 2028	-		(7.40)	(0.60)	1.04	(6.96)
30 June 2029	-		(6.96)	(0.56)	0.98	(6.55)
30 June 2030	-		(6.55)	(0.53)	1.00	(6.08)
30 June 2031	-		(6.08)	(0.49)	0.97	(5.60)
30 June 2032	-		(5.60)	(0.45)	0.95	(5.10)
30 June 2033	-		(5.10)	(0.41)	0.90	(4.61)
30 June 2034	-		(4.61)	(0.37)	0.64	(4.35)
30 June 2035	-		(4.35)	(0.35)	0.64	(4.06)
30 June 2036	-		(4.06)	(0.33)	0.60	(3.79)
30 June 2037	-		(3.79)	(0.31)	0.56	(3.54)
30 June 2038	-		(3.54)	(0.29)	0.51	(3.31)
30 June 2039	-		(3.31)	(0.27)	0.43	(3.15)
30 June 2040	-		(3.15)	(0.26)	1.97	(1.44)
17 October 2040	-		(1.44)	(0.03)	1.48	0.00
Grand total				(6.68)	16.77	
Remaining life of PPA	15.95	years				
Payback	8.41	years				
Equity IRR by AER	8.10%					

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**APPENDIX IV – VALUATION CERTIFICATE (CONT'D)**

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**APPENDIX 5C** – The base case equity IRR is 8.10% for an investment of RM11.5 million in JSSB. A 1% annual reduction in free cash flow to equity decreases the equity IRR by 0.20%

% reduction in annual cash flow	Equity IRR	Δ
Base	8.10%	-
-1%	7.90%	-0.20%
-2%	7.70%	-0.20%
-3%	7.50%	-0.20%
-4%	7.31%	-0.20%
-5%	7.11%	-0.20%
-6%	6.91%	-0.20%
-7%	6.72%	-0.20%
-8%	6.52%	-0.20%
-9%	6.32%	-0.20%
-10%	6.12%	-0.20%
<b>by AER</b>		

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## APPENDIX IV – VALUATION CERTIFICATE (CONT'D)

### APPENDIX 6 – Projected debt repayments for term loan

**Annualised cost      5.10%**

Reduction in owing to term loans / (increase in owing in term loans),  
RM'000

Financial year ending	Projected beginning balance	Interest	Repayment (Principal + Interest)	Ending
30 June 2024				(31,021)
30 June 2025	(31,021)	(1,582)	1,420	(31,183)
30 June 2026	(31,183)	(1,590)	3,564	(29,209)
30 June 2027	(29,209)	(1,489)	3,047	(27,651)
29 June 2028	(27,651)	(1,410)	3,047	(26,014)
29 June 2029	(26,014)	(1,326)	3,047	(24,294)
29 June 2030	(24,294)	(1,239)	3,047	(22,486)
29 June 2031	(22,486)	(1,147)	3,047	(20,586)
28 June 2032	(20,586)	(1,050)	3,047	(18,589)
28 June 2033	(18,589)	(948)	3,047	(16,490)
28 June 2034	(16,490)	(841)	3,047	(14,285)
28 June 2035	(14,285)	(728)	3,047	(11,966)
27 June 2036	(11,966)	(610)	3,047	(9,530)
27 June 2037	(9,530)	(486)	3,047	(6,969)
27 June 2038	(6,969)	(355)	3,047	(4,278)
27 June 2039	(4,278)	(218)	3,047	(1,449)
26 June 2040	(1,449)	(74)	1,523	0.00
26 June 2041	0.00	0.00	-	0.00
		(15,092)	46,113	

Source: 20240620 CASHFLOW 155 POKOK SENA (BFS) (contd)

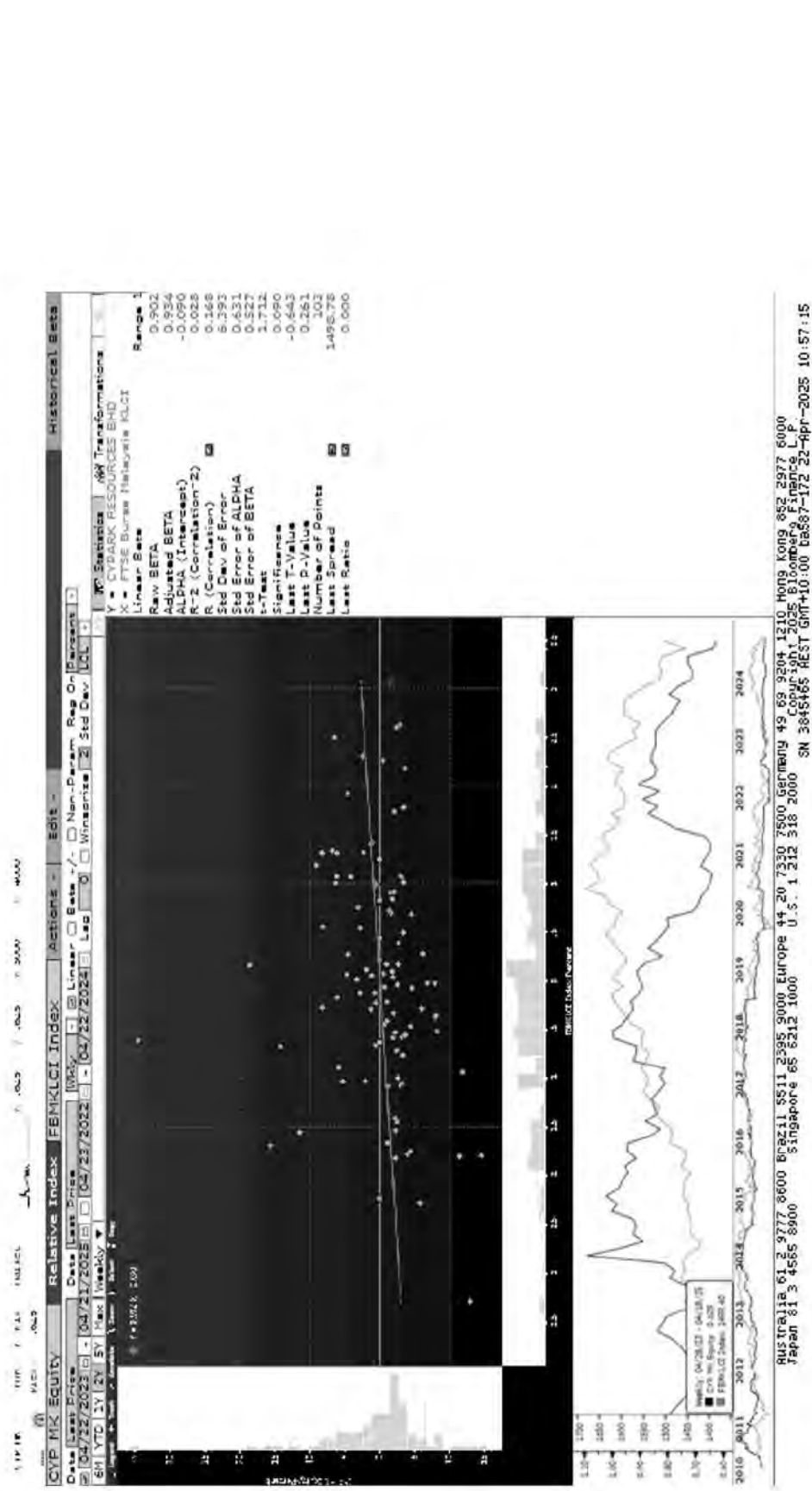
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## Bloomberg snapshots

**APPENDIX IV – VALUATION CERTIFICATE (CONT'D)**

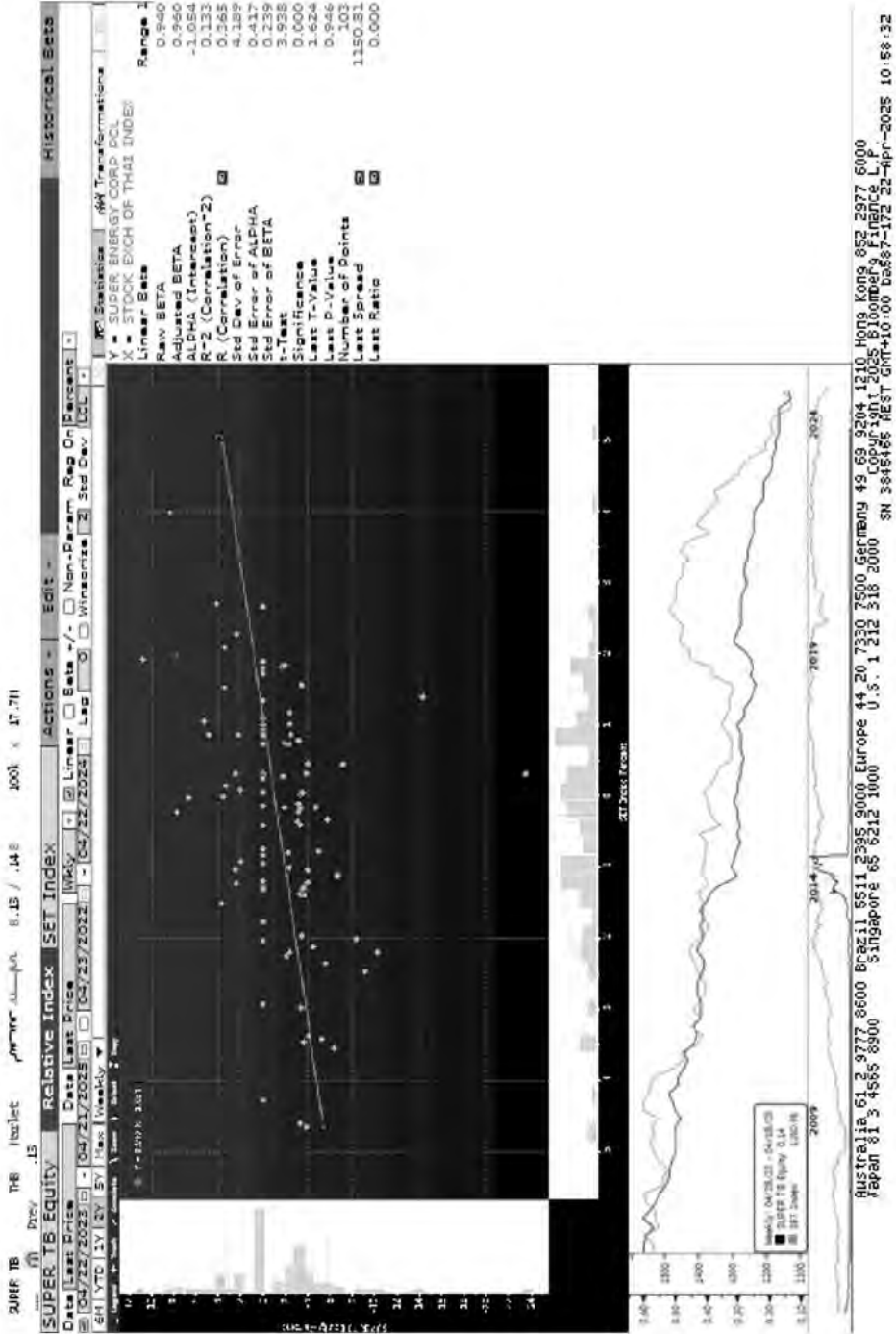
## APPENDIX A - Beta evidence extracted from Bloomberg

CYPARK RESOURCES BHD



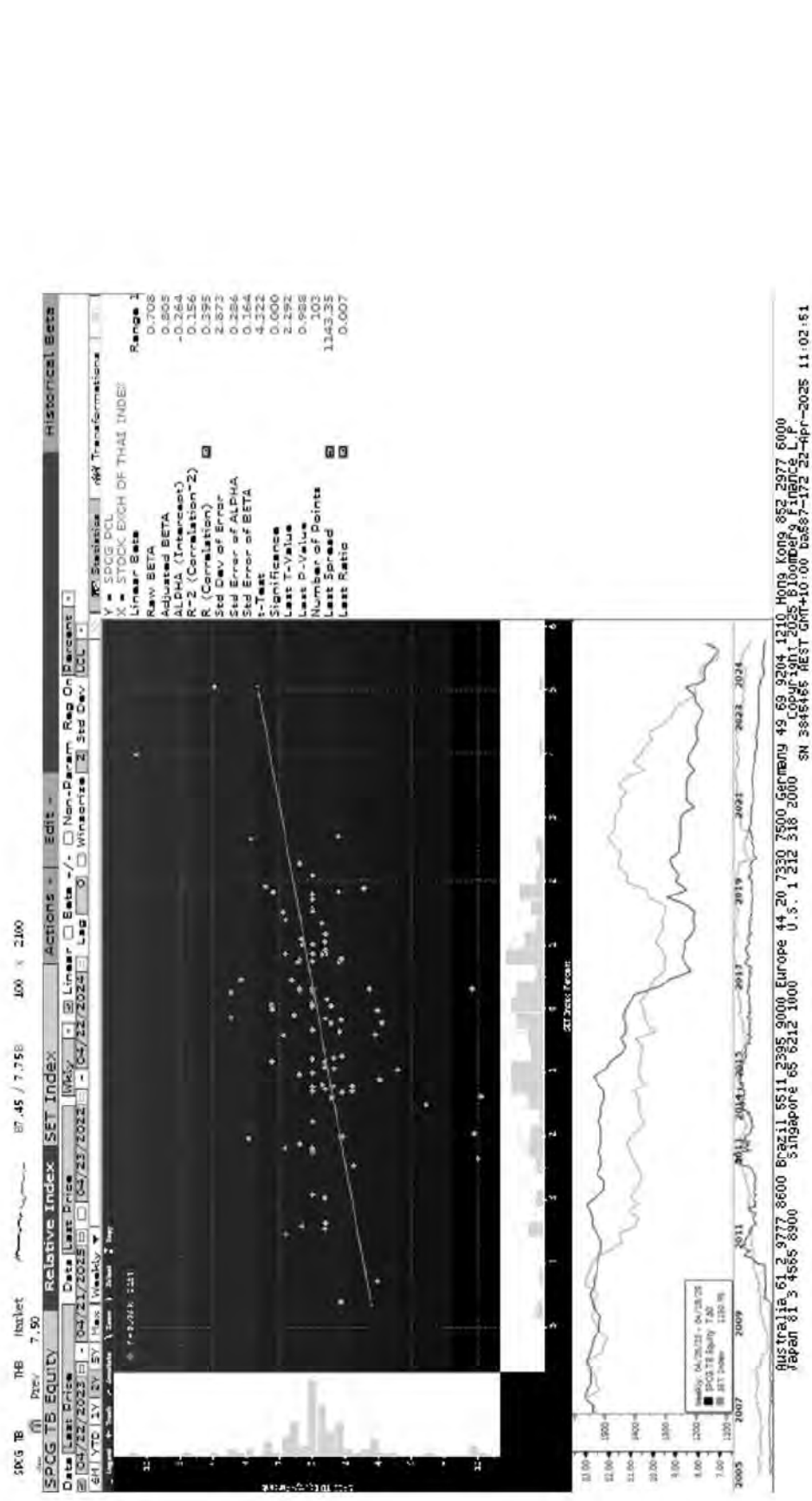
APPENDIX IV – VALUATION CERTIFICATE (CONT'D)

SUPER ENERGY CORPORATION PUBLIC LIMITED COMPANY



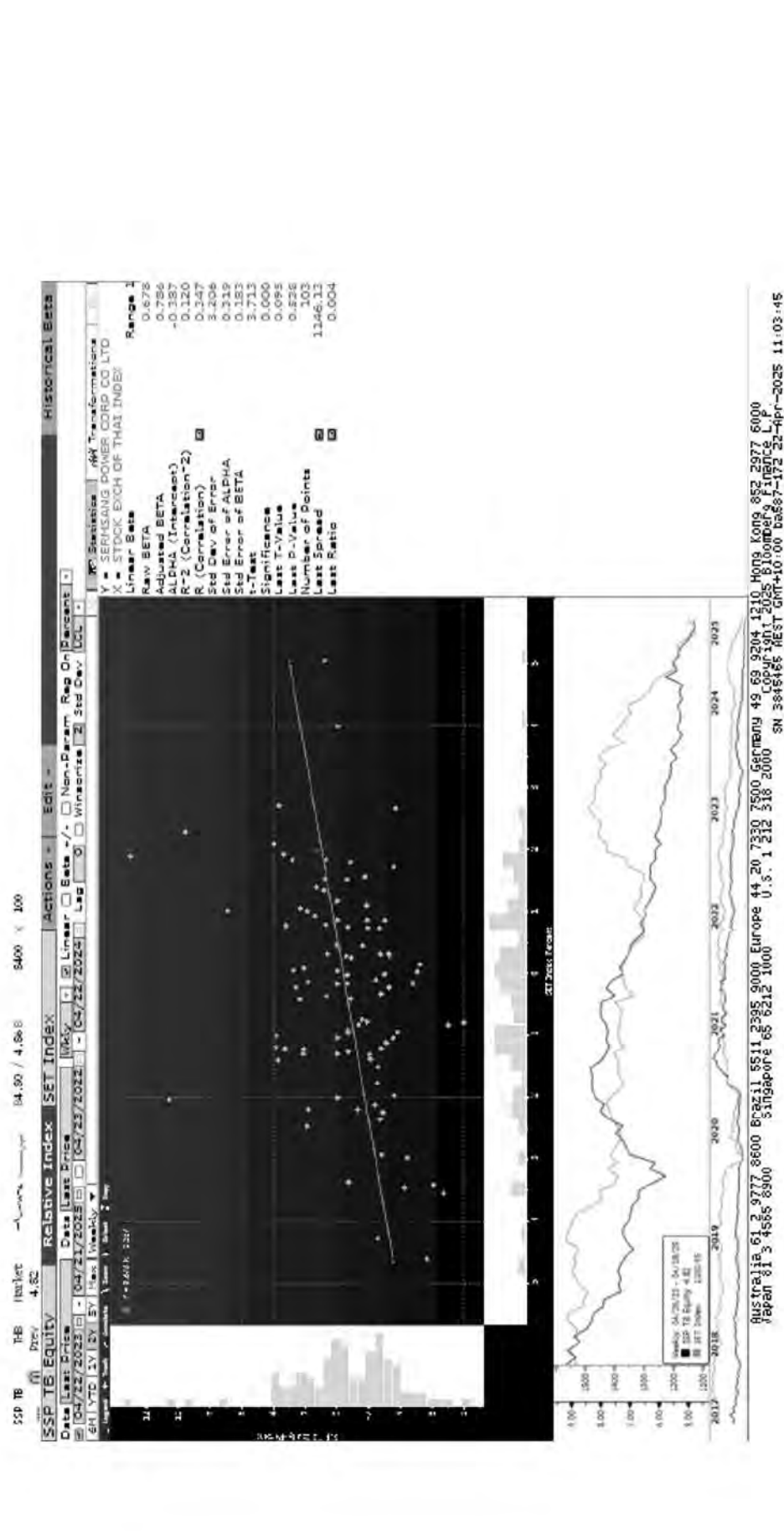
**APPENDIX IV – VALUATION CERTIFICATE (CONT'D)**

SPCG PUBLIC COMPANY LIMITED



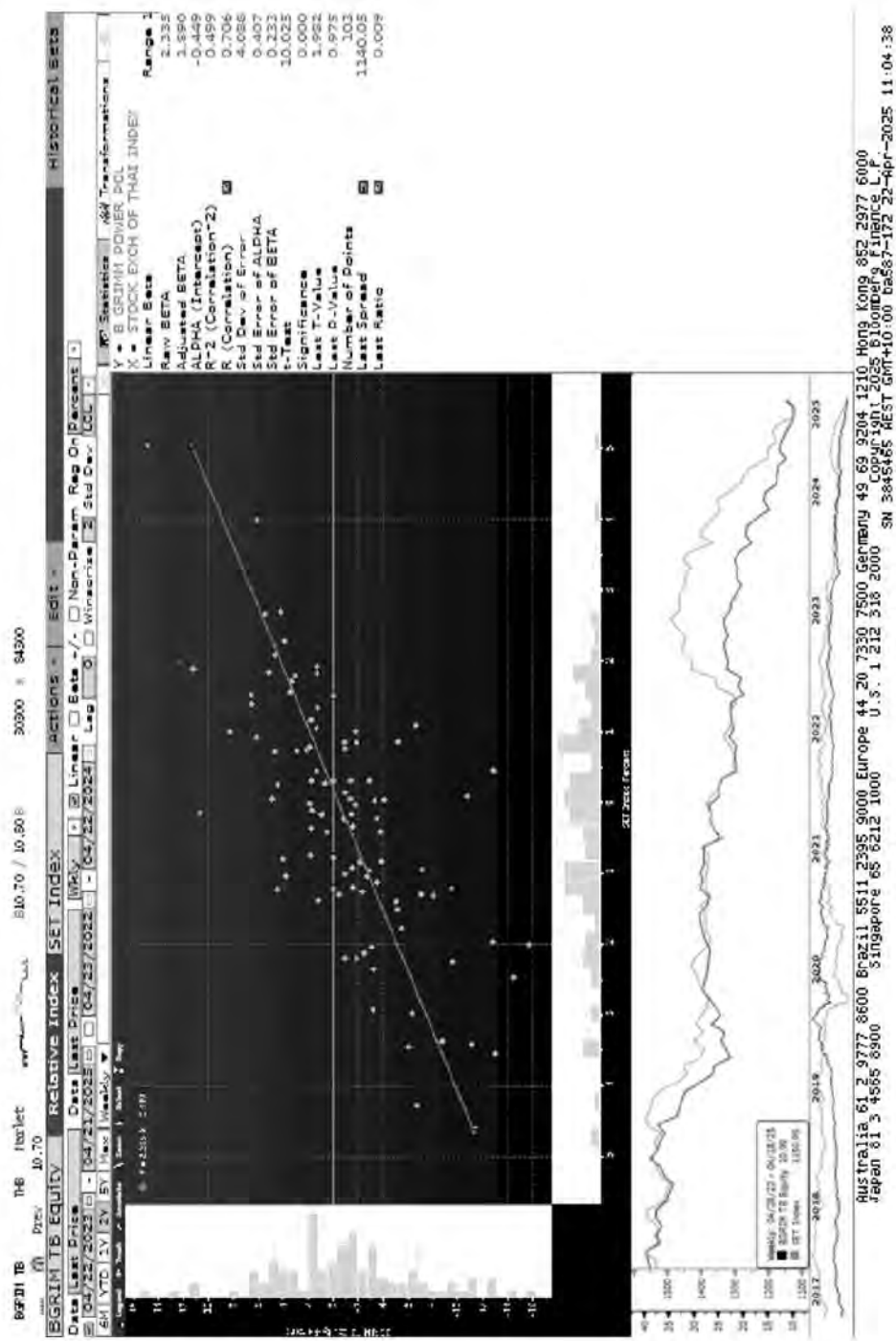
**APPENDIX IV – VALUATION CERTIFICATE (CONT'D)**

SERMSANG POWER CORPORATION COMPANY LIMITED



**APPENDIX IV – VALUATION CERTIFICATE (CONT'D)**

## B GRIMM POWER PUBLIC COMPANY LIMITED



**APPENDIX IV – VALUATION CERTIFICATE (CONT'D)**

## APPENDIX B – Financial summary of Comparable Companies that are extracted from Bloomberg

## CYPARK RESOURCES BHD

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## APPENDIX V – ADDITIONAL INFORMATION

### 1. Current financial performance and financial position of JSB group

	Audited FYE 30 June		
	2022	2023	2024
	RM'000	RM'000	RM'000
Revenue	82,848	42,641	21,959
Gross profit	5,185	6,161	6,361
PBT/ (LBT)	28,929	(4,898)	(19,524)
PAT/ (LAT)	29,089	(4,973)	(19,899)
Total borrowings	30,739	38,587	25,952
Cash and cash equivalents	2,672	5,267	4,204
Net cash used in operating activities	(26,252)	(14,871)	(13,005)
NA	85,495	124,049	142,399
Number of Shares in issue ('000)	323,239	394,272	438,948
EPS/ (LPS) (sen)	9.00	(1.26)	(4.53)
NA per Share (RM)	0.26	0.31	0.32
Gearing ratio (times)	0.36	0.31	0.18

#### **FYE 30 June 2022 vs FYE 30 June 2023**

For the FYE 30 June 2023, the Group's revenue declined to RM42.64 million (FYE 30 June 2022: RM82.85 million), representing a decrease of RM40.21 million or approximately 48.53%. The decline was primarily due to the completion of the EPCC works for the Coara Marang solar project, which achieved its commercial operation date on 17 September 2022. In addition, the Group's healthcare segment reported lower revenue due to the temporary closure of Ohana Specialist Hospital between April 2023 and June 2023. Nonetheless, Ohana Specialist Hospital has since resumed operations in June 2023 upon the issuance of a new hospital licence.

The Group registered LBT of RM4.90 million in FYE 30 June 2023, reversing from a PBT of RM28.93 million in FYE 30 June 2022, representing a decline of RM33.83 million. Consequently, the Group recorded a LAT of RM4.97 million (FYE 30 June 2022: PAT of RM29.09 million), representing a decrease of RM34.06 million. The losses were mainly attributed to a lower gain on disposal of investment property recorded in FYE 30 June 2023 as compared to FYE 30 June 2022.

#### **FYE 30 June 2023 vs FYE 30 June 2024**

For the FYE 30 June 2024, the Group's revenue decreased further to RM21.96 million (FYE 30 June 2023: RM42.64 million), representing a decrease of RM20.68 million or approximately 48.50%. The lower revenue was primarily due to the absence of revenue from the Coara Marang solar project, following the recognition of the final revenue milestone in FYE 30 June 2023 with its commercial operation date in September 2022. Additionally, there was no revenue being recognised from the joint venture development with Encorp Development Sdn Bhd in FYE 30 June 2024, as the revenue recognised in FYE 30 June 2023 was a one-off revenue from the joint venture.

The Group's LBT widened to RM19.52 million in FYE 30 June 2024 (FYE 30 June 2023: RM4.90 million), representing a further loss of RM14.62 million or approximately 298.61%. As a result, the Group recorded a LAT of RM19.90 million (FYE 30 June 2023: LAT of RM4.97 million), an increase in losses of RM14.93 million or approximately 300.14%. The higher losses were mainly due to a drop in other income, particularly the absence of gain from the disposal of assets held for sale, and an increase in administrative expenses due to the impairment of goodwill related to the acquisition of the Ohana Specialist Hospital.

**2. Value creation and impact of the Proposed Private Placement to the Group and its shareholders**

The Proposed Private Placement is undertaken by the Company to raise the requisite funds to meet the Group's funding requirements as set out in **Section 2.6, Part A** of this Circular. Through this exercise, the Group aims to enhance its financial flexibility, support strategic initiatives, and drive long-term value creation for its shareholders.

The Proposed Private Placement will enable the Group to swiftly raise funds from the capital market, providing an efficient and cost-effective means of financing without incurring additional interest costs or principal repayment obligations. By reducing reliance on borrowings, the Group can mitigate the risks associated with increased indebtedness and interest cost, thereby preserving cash flow for operational and growth purposes.

The Board, having considered the funds intended to be raised, optimal timing, and various methods of fundraising, is of the view that the Proposed Private Placement represents the most appropriate fundraising avenue for the Group, based on the following considerations:-

- i. The Proposed Private Placement allows the Group to secure additional capital without incurring interest costs, unlike conventional bank borrowings which may expose the Group to further financial liabilities and repayment obligations.
- ii. Compared to other fundraising options such as a rights issue, the Proposed Private Placement provides a faster and more efficient means of accessing capital from the market to meet the Group's immediate funding needs.
- iii. The Proposed Private Placement is expected to strengthen the Company's capital base and improve its liquidity position, thereby enabling the Group to capitalise on new growth opportunities and meet operational requirements with greater financial resilience.

While the implementation of the Proposed Private Placement, which is expected to be completed by the first quarter of 2026, will result in a dilution of EPS due to the increase in the number of issued shares, it is not expected to have a material effect on the earnings of the Group for the financial year ending 30 June 2026. However, the increase in the number of issued shares arising from the Proposed Private Placement is expected to dilute the shareholdings of existing shareholders.

Nonetheless, barring any unforeseen circumstances, the Proposed Private Placement is expected to contribute positively to the Group's future earnings as the proceeds raised are mainly to be utilised for Project Oriole, which is expected to contribute approximately RM300 million in annual revenue and firmly place the Group as a leading company in the renewable energy industry as well as general working capital that support long-term growth and value creation.

**3. Adequacy of the Proposed Private Placement in addressing the Group's financial concerns**

The Board is of the view that the Proposed Private Placement represents an appropriate and effective measure to address the Group's immediate financial concerns whereby the exercise is expected to provide an immediate injection of funds, thereby alleviating the Group's current cash flow constraints and ensuring the continuity of business operations.

The Proposed Private Placement will enable the Group to achieve the following objectives:-

- i. Provide an interim measure to meet the Group's immediate funding needs for its working capital requirements, including funding the implementation of Project Oriole, namely for financing Phase 4 expenditures to achieve financial close as set out in **Section 2.6, Part A** of this Circular; and

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**APPENDIX V – ADDITIONAL INFORMATION (CONT'D)**

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- ii. Enhance the financial position of the Group, as illustrated in **Section 8.2, Part A** of this Circular.

Proceeds from the Proposed Private Placement will be applied towards vital operational requirements, including financing expenditures for Project Oriole, a key initiative within the Group's renewable energy segment. As disclosed in **Section 2.6, Part A** of this Circular, the total estimated project cost for Project Oriole is RM2.75 billion, of which approximately RM550.00 million (equivalent to 20%) is to be funded via equity. Of this RM550.00 million, the Group's equity commitment is up to RM165.00 million, while the remaining RM385.00 million is intended to be subscribed by strategic and financial investors.

Further, of the Group's RM165.00 million commitment, approximately RM91.70 million has already been incurred and is intended to be capitalised into equity, with the balance of RM73.30 million to be funded through the Proposed Private Placement and potential equity financing with selected lenders. Accordingly, the Proposed Private Placement is expected to provide the necessary resources to meet the Group's portion of the equity funding and the proceeds will be applied towards vital operational requirements, including up to RM29.66 million of the estimated Phase 4 expenditures for Project Oriole, as set out in **Section 2.6, Part A** of this Circular. The successful completion of Project Oriole is expected to generate a stable, long-term income stream, thereby reinforcing the viability of the Group's investment and supporting its transition towards renewable energy as a core revenue contributor.

The Board had also considered a pro-rata rights issue as a fundraising option to address the Group's financial requirements. However, considering the longer implementation timeline from additional regulatory submissions and potential underwriting arrangements, a rights issue may not be able to meet the Group's immediate funding needs within the required timeframe. In contrast, the Proposed Private Placement is expected to provide a more expedient and cost-efficient fundraising option to meet the Group's immediate requirements.

Premised on the above and barring any unforeseen circumstances, the Board believes that the Proposed Private Placement is adequate to address the Group's immediate funding requirements to progress Project Oriole to financial close, as well as its general cash flow needs, while positioning the Group for long-term growth. Going forward, additional fundraising exercises may be considered, if necessary, to support further expansion initiatives.

#### **4. Steps or actions taken to improve the financial condition of the Group**

Originally a building materials trading house, the Group experienced losses due to a slowdown in the construction and property markets, rising operational costs, and narrowing profit margins from low-margin products such as steel bars and cement. In response, JSB secured shareholder approval on 18 December 2020 to diversify into the renewable energy and healthcare sectors to build resilience and obtain new revenue streams.

The Proposed Private Placement is part of the Group's ongoing strategy to strengthen its financial position and support growth initiatives, with proceeds mainly directed towards expanding its renewable energy segment.

The Group's key actions and developments include the following:-

- i. Proposed Acquisition of Jentayu Solar, which is expected to expand the Group's solar energy capacity, diversify income sources, and enhance operational synergies across its renewable energy segment. The Proposed Acquisition forms part of the Group's long-term strategy to capitalise on the growing demand for clean energy and to reinforce its position in the renewable energy industry;
- ii. Development of Project Oriole, with operations expected by June 2029 and projected to supply up to 16% of Sabah's energy demand, as well as generating approximately RM300 million in annual revenue; and

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**APPENDIX V – ADDITIONAL INFORMATION (CONT'D)**

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- iii. Realignment of the trading segment to support the construction and operation of the Group's renewable energy plants. The Group's trading division played a pivotal role in supporting contractors and building projects nationwide, positioning itself as a key supplier of building materials across various large-scale developments. In recent years, the division has undergone a strategic transformation, including the exit from the lubricant business, streamlining and refocusing its efforts to align more closely with the Group's core renewable energy projects. This shift has also resulted in cost savings through the elimination of distribution, storage and logistics expenses as well as greater efficiency from the consolidation of warehouse operations. These measures enable the division to fully support the Company's sustainability goals while continuing to provide essential materials for the development of the Group's energy assets. The resulting financial and operational efficiencies have strengthened profitability and ensured that the trading arm is now a dedicated enabler of the Group's clean energy initiatives.

The Group is committed to enhancing its existing businesses, including the trading of building materials and hospital operations, to ensure they contribute positively to the Group's financial performance.

The Board remains confident that with its efforts placed towards existing business, the on-going focus on Project Oriole combined with the Proposed Private Placement, will improve the Group's financial condition, strengthen its capital base, and position the Group for sustainable long-term growth.

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## **APPENDIX VI – FURTHER INFORMATION**

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### **1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

### **2. CONSENT**

UOBKH, being the Placement Agent for the Proposed Private Placement and Principal Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

QuantePhi, being the Independent Adviser for the Proposed Acquisition and Proposed Variation, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

AER, being the Independent Business Valuer in relation to the valuation of Jentayu Solar, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, the Valuation Certificate, and all references thereto in the form and context in which they appear in this Circular.

### **3. DECLARATION OF CONFLICT OF INTEREST**

UOBKH has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as Placement Agent for the Proposed Private Placement and Principal Adviser for the Proposals.

QuantePhi has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Independent Adviser for the Proposed Acquisition and Proposed Variation.

AER has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Independent Business Valuer in relation to the valuation of Jentayu Solar.

### **4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

As at the LPD, the Board is not aware of any material litigation, claims or arbitration, proceedings pending or threatened against the Group or of any fact likely to give rise to any proceeding which may materially affect the financial position or business of the Group.

### **5. MATERIAL COMMITMENT**

As at the LPD, the Board is not aware of any material commitments incurred or known to be incurred by the Group that have not been provided for which, may have a material impact on the financial results/ position of the Group.

### **6. CONTINGENT LIABILITIES**

As at the LPD, the Board confirms that there are no contingent liabilities incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of JSB at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia, during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the EGM:-

- i. Constitutions of JSB and Jentayu Solar;
- ii. Audited consolidated financial statements of JSB Group for the past 2 financial years up to the FYE 30 June 2024 and the latest unaudited financial statements for the 12-month FPE 30 June 2025;
- iii. Audited financial statements of Jentayu Solar for the past 2 financial years up to the FYE 30 June 2024;
- iv. The SSA as referred to in **Appendix I** of this Circular;
- v. Call Option Deed as referred to in **Appendix II** of this Circular;
- vi. Settlement Agreement 1 as referred to in **Section 4, Part A** of this Circular;
- vii. Settlement Agreement 2 as referred to in **Section 4, Part A** of this Circular;
- viii. Valuation Certificate as referred to in **Appendix IV** of this Circular; and
- ix. Letters of consent and declaration of conflict of interest referred to in **Sections 2 and 3** hereinabove, respectively.



**JENTAYU SUSTAINABLES BERHAD**

(Registration No.197501000834 (22146-T))

(Incorporated in Malaysia)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting ("**EGM**") of Jentayu Sustainables Berhad ("**JSB**" or the "**Company**"), will be held at Unit 25-01, Level 25 Menara Felda, No. 11 Persiaran KLCC, Platinum Park, 50088 Kuala Lumpur on Wednesday, 22 October 2025 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification the resolutions as set out in this notice.

**ORDINARY RESOLUTION 1**

**PROPOSED PRIVATE PLACEMENT OF UP TO 20% OF THE TOTAL NUMBER OF ISSUED SHARES OF JSB TO THIRD PARTY INVESTOR(S) TO BE IDENTIFIED LATER AT AN ISSUE PRICE TO BE DETERMINED LATER ("PROPOSED PRIVATE PLACEMENT")**

"**THAT** subject to all approvals being obtained from the relevant authorities and/ or parties, approval be and is hereby given to the Board of Directors of JSB ("**Board**") to issue and allot up to 119,419,144 new ordinary shares in the Company ("**JSB Share(s)**" or "**Share(s)**"), representing approximately 20.00% of the enlarged total number of issued shares of JSB ("**Placement Share(s)**") to independent third-party investor(s) to be identified later at an issue price to be determined later by the Board ("**Price Fixing Date**") upon such terms and conditions as disclosed in the Circular to the shareholders of the Company dated 3 September 2025 ("**Circular**").

**THAT**, pursuant to Section 85 of the Companies Act, 2016 read together with Article 73 of the Constitution of the Company, approval be hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered new Shares ranking equally to the existing issued JSB Shares arising from any allotment and issuance of new Shares pursuant to the Proposed Private Placement.

**THAT** the issue price of the Placement Shares will be determined based on a discount of not more than 10.00% to the 5-day volume-weighted average market price of the Shares up to and including the last trading day immediately preceding the Price-Fixing Date.

**THAT** the Directors be and are hereby authorised to utilise the proceeds to be derived from the Proposed Private Placement for such purposes as set out in the 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 from the Proposed Private Placement in the manner as the Board may deem fit, necessary and/ or expedient, subject (where required) to the approval of the relevant authorities and in the best interest of the Company.

**THAT** such Placement Shares will, upon allotment and issuance, rank equally in all respects with the existing JSB Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the Placement Shares.

**THAT** the Directors be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/ or arrangements as may be necessary to give effect and complete the Proposed Private Placement and to assent to any conditions, modifications, variations and/ or amendments in any manner as may be required by the relevant authorities or as the Directors may deem necessary in the best interest of the Company and to take such steps as they may deem appropriate, necessary and/ or expedient in order to implement, finalise, give full effect and to complete the Proposed Private Placement.

**AND THAT** this resolution constitute a specific approval for the issuance of securities in the Company contemplated herein and shall continue to be in full force and effect until all Placement Shares to be issued pursuant to or in connection with the Proposed Private Placement have been duly allotted and issued in accordance with the terms of the Proposed Private Placement."

## **ORDINARY RESOLUTION 2**

**PROPOSED ACQUISITION OF 51% EQUITY INTEREST IN JENTAYU SOLAR SDN BHD ("JENTAYU SOLAR") FROM JENTAYU CAPITAL SDN BHD ("JENTAYU CAPITAL"), FOR A PURCHASE CONSIDERATION OF RM5.87 MILLION, TO BE SATISFIED WHOLLY VIA SET-OFF ARRANGEMENT, TOGETHER WITH THE PROPOSED ACQUISITION OF THE REMAINING 49% EQUITY INTEREST IN JENTAYU SOLAR VIA THE EXERCISE OF A CALL OPTION PURSUANT TO A CALL OPTION DEED ENTERED INTO WITH SERI PANGLIMA HOLDINGS SDN BHD ("SERI PANGLIMA") FOR A PURCHASE CONSIDERATION OF RM5.64 MILLION ("CALL OPTION DEED") (COLLECTIVELY, THE "PROPOSED ACQUISITION")**

**"THAT**, subject to the passing of Ordinary Resolution 3 and the approvals from all relevant authorities and/ or parties being obtained, approval be and is hereby given for the JSB to acquire 51% equity interest in Jentayu Solar at the purchase consideration of RM5.87 million to be satisfied wholly via the set-off arrangement upon the terms and subject to the conditions set out in the conditional share sale agreement dated 26 June 2025 entered into by JSB with Jentayu Capital.

**THAT**, subject to the approvals from all relevant authorities and/ or parties being obtained, approval be and is hereby given for JSB to exercise the call option granted under the call option deed dated 26 June 2025 entered into with Seri Panglima, to acquire the remaining 1,470,000 ordinary shares in Jentayu Solar, representing 49% equity interest in Jentayu Solar, for a purchase consideration of RM5.64 million, within 12 months from the date of the Call Option Deed.

**AND THAT** the Board of Directors of JSB (save for Datuk Beroz Nikmal bin Mirdin) be and is hereby authorised and empowered to give full effect to the Proposed Acquisition with full power to deal with all matters incidental, ancillary to and/ or relating thereto and take all such steps and to execute and deliver and/ or caused to be executed and delivered all the necessary documents, including the SSA, Call Option Deed and all such other agreements, deeds, arrangements, undertakings, indemnities, transfers, extensions, assignments, confirmations, declarations and/ or guarantees to or with any party or parties, and to do all acts, deeds and things as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Acquisition."

## **ORDINARY RESOLUTION 3**

**PROPOSED VARIATION TO THE UTILISATION OF THE PROCEEDS RAISED FROM THE COMPANY'S RIGHTS ISSUE EXERCISE THAT WAS COMPLETED ON 3 MARCH 2022 ("RIGHTS ISSUE 2022") ("PROPOSED VARIATION")**

**"THAT**, subject to the passing of Ordinary Resolution 2 and the approvals from all relevant authorities and/ or parties being obtained, approval be and is hereby given for JSB to vary the utilisation of the proceeds raised from the Rights Issue 2022, which raised total gross proceeds of approximately RM30.44 million upon the listing and quotation of 101,457,300 Rights Shares on the Main Market of Bursa Malaysia Securities Berhad on 3 March 2022, to reallocate a sum of RM16.00 million, which was previously earmarked as refundable deposits for the proposed acquisition of hydro assets (which acquisition was mutually terminated on 17 March 2025), for the following purposes:-

- i. to partially fund, by way of set-off arrangement, the purchase consideration for the Proposed Acquisition; and
- ii. to fund future viable investment and/ or expansion opportunities identified by the Company;

**AND THAT** the Board of Directors of JSB be and is hereby authorised to take all such steps and to do all acts, deeds and things as they may deem necessary, expedient and/ or in the best interest of the Company to give full effect to the Proposed Variation, with full power to assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant authorities and to deal with all matters incidental thereto."

### **By Order of the Board**

**ANDREW TAN KEN SENG** (MAICSA 7068904) (SSM PC NO. 202408000555)  
**CYNTHIA GLORIA LOUIS** (MAICSA 7008306) (SSM PC NO. 201908003061)  
Company Secretaries

Kuala Lumpur  
3 September 2025

**Notes:**

1. In regard of deposited securities, only members whose names appear in the Record of Depositors as at Thursday, 16 October 2025 ("**General Meeting Record of Depositors**") shall be eligible to participate and vote at the Meeting.
2. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities' account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
4. A member may appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a Meeting of Members of the Company but shall not be entitled to appoint more than two (2) proxies to attend the same meeting. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the meeting of the Company shall have the same rights as the members to speak at the meeting.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing (or such appointor be a corporation, under its common seal or under the hand of an officer or attorney duly authorised or in some other manner approved by Directors). An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of appointor.
6. The instrument appointing a proxy must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.
7. Alternatively, the proxy form can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com> to login and deposit your proxy form electronically not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.



**JENTAYU SUSTAINABLES BERHAD**

(Registration No. 197501000834 (22146-T))

(Incorporated in Malaysia)

**PROXY FORM**

CDS Account No:	
No. of Shares Held:	

I/We (Full Name in Block Letters) .....

NRIC No. / Passport No. / Company No. ....

of (full address and email address)

.....  
.....

being a shareholder of **JENTAYU SUSTAINABLES BERHAD** hereby appoint:

Proxy 1	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No		

and/or failing him/her,

Proxy 2	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No		

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting ("**EGM**") of the Company to be held at Unit 25.01, Level 25, Menara Felda, No. 11 Persiaran KLCC, 50450 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur on Wednesday, 22 October 2025 at 10.30 a.m., in the manner indicated below:

Resolution No.	ORDINARY RESOLUTIONS	FOR	AGAINST
Ordinary Resolution 1	Proposed Private Placement		
Ordinary Resolution 2	Proposed Acquisition		
Ordinary Resolution 3	Proposed Variation		

Please indicate with "X" how you wish your vote to be cast. In the absence of specific directions, your Proxy will vote or abstain as he thinks fit.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

\_\_\_\_\_  
Signature/Seal of Shareholder



**Notes:**

1. In regard of deposited securities, only members whose names appear in the Record of Depositors as at Thursday, 16 October 2025 ("**General Meeting Record of Depositors**") shall be eligible to participate and vote at the Meeting.
2. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities' account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
4. A member may appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a Meeting of Members of the Company but shall not be entitled to appoint more than two (2) proxies to attend the same meeting. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the meeting of the Company shall have the same rights as the members to speak at the meeting.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing (or such appointor be a corporation, under its common seal or under the hand of an officer or attorney duly authorised or in some other manner approved by Directors). An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of appointor.
6. The instrument appointing a proxy must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.
7. Alternatively, the proxy form can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com> to login and deposit your proxy form electronically not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

**PERSONAL DATA PRIVACY**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Fold this flap for sealing

Then fold here

AFFIX  
STAMP

**JENTAYU SUSTAINABLES BERHAD c/o BOARDROOM SHARE  
REGISTRARS SDN BHD**  
11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan

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