



PJI HOLDINGS BERHAD (499758-W)

INTERIM FINANCIAL STATEMENTS

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER AND NINE MONTHS ENDED
31 MARCH 2013**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TODATE	PRECEDING YEAR CORRESPONDING PERIOD
		31/03/2013 RM '000	31/03/2012 RM '000	31/03/2013 RM '000	31/03/2012 RM '000
Revenue	A9	27,952	19,927	78,188	53,603
Cost of sales		(25,820)	(17,955)	(72,461)	(47,385)
Gross profit		2,132	1,972	5,727	6,218
Other income		189	35	379	45
Finance Income		49	40	146	153
Gain on disposal of property, plant and equipment		3	31	3	28
Bad debts (written off) / recovery		(10)	299	(62)	259
Administrative expenses		(1,838)	(1,904)	(4,705)	(4,812)
Adjustment on depreciation of property, plant and equipment		56	-	56	-
Depreciation of property, plant and equipment and investment properties		(55)	(117)	(181)	(442)
Provision for doubtful debts		(179)	(23)	(222)	(239)
Other expenses		(2)	(5)	(7)	(8)
Finance costs		(50)	(106)	(188)	(334)
Profit before taxation		295	222	946	868
Taxation	B5	(45)	(41)	(45)	(56)
Profit for the period representing total comprehensive income for the period		250	181	901	812
Profit attributable to:					
Owners of the Company		250	181	901	812
Total comprehensive income attributable to:					
Owners of the Company		250	181	901	812
Basic earnings per share attributable to equity holders of the company					
Basic (sen)	B11	0.04	0.03	0.15	0.13

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2012.

**PJI HOLDINGS BERHAD (499758-W)****INTERIM FINANCIAL STATEMENTS***(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013**

	AS AT 31/03/2013 (Unaudited) RM '000	AS AT 30/06/2012 (Audited) RM '000
Non-Current Assets		
Property, plant and equipment	675	796
Investment properties	238	240
Land held for property development	4,000	4,000
Investment in associate companies	1,454	1,454
	6,367	6,490
Current Assets		
Trade receivables	10,706	9,126
Retention sum	18,369	16,393
Amount due from customer for contract works	43,741	41,928
Other receivables, deposits and prepayments	8,315	6,339
Amount owing by associate companies	-	5,201
Tax recoverable	5	50
Deposits with licensed banks	5,209	4,112
Cash and bank balances	3,044	1,504
	89,389	84,653
TOTAL ASSETS	95,756	91,143
EQUITY AND LIABILITIES		
Share capital	54,473	54,473
Reserves		
Translation reserves	203	203
Warrant reserve	8,070	8,070
Accumulated losses	(27,985)	(28,886)
Equity attributable to owners of the company	34,761	33,860
Non controlling interest	(203)	(203)
Total Equity	34,558	33,657
Non-Current Liabilities		
Long term borrowings	-	763
Hire purchase payables	295	370
	295	1,133
Current Liabilities		
Trade payables	38,906	39,673
Other payables and accruals	3,164	4,961
Amount owing to director	-	175
Hire purchase payables	100	100
Short term borrowings	18,733	11,417
Provision for taxation	-	27
	60,903	56,353
Total Liabilities	61,198	57,486
TOTAL EQUITY AND LIABILITIES	95,756	91,143
Net assets per share attributable to ordinary equity holders of the company (RM)	0.0571 **	0.0556 **

** The total issued and paid up share capital is 609,069,997 ordinary shares of RM 0.10 each.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2012.



PJI HOLDINGS BERHAD (499758-W)
INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD
ENDED 31 MARCH 2013**

	9 months ended	9 months ended
	31/03/2013	31/03/2012
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before tax	946	868
Adjustments for :-		
Depreciation of property, plant and equipment and investment properties	125	442
Finance costs	188	334
Finance income	(146)	(153)
Gain on disposal of property, plant and equipment	(3)	(28)
Rental income received	-	(1)
Operating profit before changes in working capital	<u>1,110</u>	<u>1,462</u>
Changes in working capital		
Net Changes in current assets	(2,144)	(10,541)
Net Changes in current liabilities	(2,739)	1,154
Cash used in operations	<u>(3,773)</u>	<u>(7,925)</u>
Tax paid	(27)	(103)
Net cash used in operating activities	<u>(3,800)</u>	<u>(8,028)</u>
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	3	521
Pledged of fixed deposits with licensed banks	(94)	(4,080)
Interest from deposit with licensed banks received	146	153
Rental income received	-	1
Purchase of property, plant and equipment	(2)	(407)
Increase in investment in associated company	-	(179)
Net cash generated from /(used in) investing activities	<u>53</u>	<u>(3,991)</u>
Cash Flows For Financing Activities		
Interest paid	(188)	(334)
Repayment of hire purchase payables	(75)	(63)
Net drawdown of short term borrowings	6,553	4,591
Net cash generated from financing activities	<u>6,290</u>	<u>4,194</u>
Net increase/(decrease) in cash and cash equivalents	2,543	(7,825)
Cash and cash equivalents as at beginning of period	1,504	8,575
Cash and cash equivalents as at period ended	<u>4,047</u>	<u>750</u>
Cash and cash equivalents as at period ended comprise the following:		
Cash and bank balances	3,044	507
Placement of fixed deposits with licensed banks	4,206	4,000
Short term deposits with licensed banks	1,003	1,022
Bank overdrafts	-	(779)
	<u>8,253</u>	<u>4,750</u>
Less : Fixed deposits pledged with a licensed bank	(4,206)	(4,000)
	<u>4,047</u>	<u>750</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2012.



PJI HOLDINGS BERHAD (499758-W)

INTERIM FINANCIAL STATEMENTS

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MARCH 2013

	← Attributable to Owners of the Parent →								
	← Non-Distributable Reserves →								
	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Foreign Exchange Reserves RM'000	Revaluation Reserves RM'000	Accumulated Losses RM'000	Total RM'000	Non Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 July 2012	54,473	-	8,070	203	-	(28,886)	33,860	(203)	33,657
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	901	901	-	901
Balance as at 31 March 2013	54,473	-	8,070	203	-	(27,985)	34,761	(203)	34,558
Balance as at 1 July 2011	54,473	-	8,070	203	-	(30,137)	32,609	-	32,609
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	812	812	-	812
Balance as at 31 March 2012	54,473	-	8,070	203	-	(29,325)	33,421	-	33,421

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2012.



PJI HOLDINGS BERHAD (499758-W)
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 MARCH 2013

A1. Basis of Preparation

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2012. These explanatory notes attached to the quarterly condensed financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2012.

The consolidated financial statements of the Group as at end and for the year ended 30 June 2012 were prepared in accordance with the applicable disclosure provisions of the requirements of Financial Reporting Standards.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1, First-time Adoption of MFRS has been applied. An explanation of how the transition to MFRSs has effected the reported financial position, financial performance and cash flows of the Group is provided in note B7.

A2. Changes in Accounting Policies

The accounting policies applied by the Group and the Company in these interim financial statements are the same as those applied by the Group and the Company in the consolidated annual financial statement as at 30 June 2012 and for the year ended 30 June 2011.

A3. Qualification of Audit Report of the Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the year ended 30 June 2012 was not subjected to any audit qualification.

A4. Seasonal or Cyclical Factors

There has been no material seasonal or cyclical factors affecting the results of the quarter under review.

A5. Nature and amount of unusual items

There were no unusual items in the quarterly financial statements under review.

A6. Changes in Accounting Estimates

There were no changes in estimates of amounts reported that have a material effect in the current financial quarter.

A7. Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale nor repayments of debts and equity securities, share buy-backs for the current financial period-to-date.

A8. Dividends Paid

There were no dividends paid during the current quarter and financial year to date.

A9. Segmental Reporting

The Group has one operating segment, principally confined to construction of buildings, provision of electrical and mechanical engineering services and maintenance works. Accordingly, information by operating segment on Group's operations as required by MFRS 8 is not presented.

The Group's operations are operated solely in Malaysia. Accordingly, geographical segmental information has not been prepared.

Major customers

During the quarter, the following are major customers with revenue equal or more than 10% of the Group's revenue:

Customer A	RM7,625,784
Customer B	RM7,589,259
Customer C	RM6,354,048
Customer D	RM3,954,224

A10. Valuation of Property, Plant and Equipment

There were no changes in the valuation on property, plant and equipment since the last annual financial statements.

A11. Material Events Subsequent to the Balance Sheet Date

There is no material events that occurred subsequent to the current quarter.

A12. Changes in the Composition of the Group

There was no change in the composition of the Group for the current quarter under review.

A13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in other contingent liabilities or contingent assets since the last annual Statement of Financial Position as at 30 June 2012.

A14. Capital Expenditure

On 16 August 2012, the Group via its wholly owned subsidiary, PJI Construction Sdn Bhd ("the Purchaser") had entered into a conditional sale and purchase agreement ("SPA") with Noble Star Services Sdn Bhd ("the Vendor") to purchase a piece of land identified as Geran 204616, Lot 78650, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan, measuring 5,257 square metres together with all building(s) erected or to be erected on the land including inter-alia a single storey warehouse, a three (3) storey office building, two (2) guard houses, a rubbish disposal site and an electricity substation for a total cash consideration of RM13,200,000.

A15. Significant Related Party Transactions

There was no related party transaction during the financial quarter under review.

ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS**B1. Review of Performance**

For the current quarter under review, the Group registered a revenue of RM27.95 million representing a growth of 40.27% over the corresponding quarter of the preceding year, contributed from revenue of new projects secured. Despite the higher revenue, the Group's gross profit margin for the current quarter of 7.63% against 9.90% of the preceding year of the corresponding quarter, represented a fall of 2.27%, mainly due to the lower profit margin from projects recognised in the current quarter.

In the current year-to-date, the Group's revenue of RM78.19 million representing an increase of 45.87% as compared to revenue of RM53.60 million of the preceding year-to-date. The increase was attributed mainly from revenue of new projects secured. The Group's gross profit for the current period was RM5.73 million against RM6.22 million of the preceding year of the same period was mainly due to lower gross profit margin from projects recognised in the current period.

B2. Comparison with Preceding Quarter

The Group recorded a revenue of RM27.95 million, an increase of RM2.79 million from that of RM25.16 million in the preceding quarter. However, the Group registered a profit after tax of RM0.25 million, a marginal increase of RM0.05 million from that of RM0.20 million in the preceding quarter, mainly related to interest income.

B3. Current Year Prospects

The Group expects to achieve a continuous growth in revenue and profit arising from the contracts secured during the current financial year.

B4. Profit Forecast / Profit Guarantee

Not applicable as no profit forecast was announced for the current financial year.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current 31/03/2013 RM'000	Preceding 31/03/2012 RM'000	Current 31/03/2013 RM'000	Preceding 31/03/2012 RM'000
Tax expense for the year	-	22	-	7
Over / (Under) provision in prior year				
Income Tax	(45)	(63)	(45)	(63)
	<u>(45)</u>	<u>(41)</u>	<u>(45)</u>	<u>(56)</u>

B6. Group's Borrowings and Debt Securities

Total Group's borrowings as at 31 March 2013 are as follows :

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	18,833	295	19,128
Unsecured	-	-	-
Total Group's borrowings	18,833	295	19,128

B7. Note of Transition to MFRS

As stated in note A1, these are the Group's first consolidated interim financial statements prepared in accordance with MFRSs.

In preparing its opening MFRS statement of financial position, financial performance and cash flows, there is no significant impact to the Group on the transition from the previous FRSs to new MFRSs .

B8. Status of Corporate Exercises

The status of the two corporate exercises are as follows:-

- i) PJ Indah Sdn Bhd ("PJISB"), a wholly owned subsidiary of the Company, and Agni Power Sdn Bhd ("APSB") had, on 10 July 2012, entered into a conditional subscription agreement to subscribe for up to 17,000,000 irredeemable convertible preference shares of RM1.00 each ("ICPS") in APSB at par for a total consideration of up to RM17,000,000 ("Proposed Subscription").
The Proposed Subscription, which had been approved by shareholders, is expected to be completed in the second (2nd) quarter of 2015.
- ii) PJI Construction Sdn Bhd ("PJICSB"), a wholly owned subsidiary company of PJI had, on 16 August 2012, entered into a conditional sale and purchase agreement with Noble Star Services Sdn Bhd ("NSSSB") for a proposed acquisition of a piece of land identified as Geran 204616, Lot 78650, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan measuring 5,257 square metres together with all building(s) erected or to be erected on the land including inter-alia, a single storey warehouse, a three (3) storey office building, two (2) guard houses, a refuse chamber building and an electricity substation for a cash consideration of RM13,200,000 ("Proposed Acquisition").
The Proposed Acquisition, which had been approved by shareholders, is expected to be completed in the third (3rd) quarter of 2013.

B9. Changes in Material Litigation

The pending material litigations of the Group, since the last annual balance sheet date, consist of the following :-

- i) **Kejuruteraan Letrik Sunray Sdn Bhd ("KLSSB") vs PJISB**
PJISB has on 18 September 2007 received a Shah Alam High Court Writ of Summons No. 22-1395-2007 from Kejuruteraan Letrik Sunray Sdn Bhd ("KLSSB") filed through their solicitors Messrs. Jasbeer, Nur & Lee, in connection with the subcontract works for the "Universiti Teknologi Petronas Development, Package 302 in Bandar Seri Iskandar, Tronoh, Perak Darul Ridzuan Project" ; which has been terminated by PJISB due to poor performance of KLSSB. KLSSB's claim in total is RM1,262,103.26 including alleged damages. It was advised by PJISB's solicitor that KLSSB has obtained the Insolvency Department's approval to continue with the suit. The Decision for Security For Cost Application was dismissed and the Court proceeded with full trial on 4 & 5 March 2013. The matter is fixed for continued hearing on 6 & 7 June 2013.
- ii) **P.J. Indah Sdn Bhd ("PJISB") vs Plaza Rakyat Sdn Bhd ("PRSB")**
PRSB terminated the main contract due to funding problem. PJISB is disputing the validity of termination as well as counter-claiming for outstanding payment for works performed of approximately RM3 million. Court allowed stay of proceeding on 23 March 2007 and case to be referred arbitration. PJISB has yet to initiate the arbitral proceeding.
- iii) **ADP Teknologi Sdn Bhd ("ADP") and PJISB vs Puncak Niaga (M) Sdn Bhd ("PNMSB")**
ADP and PJISB was an unincorporated joint venture ("JV") that has been awarded with a contract by PNMSB for the project known as "Pembinaan Loji/Kolam Takungan dan paip Utama Telibong and Telipok, Sabah" in August 2004 .
PNMSB has terminated the contract of the JV in 26 December 2007 due to some contractual disputes. ADP and PJISB are now jointly pursuing against PNMSB by way of arbitration for the termination for wrongful termination of the contract.
The JV is claiming a total sum of RM10,080,201.31 for work done and owed by PNMSB in which PJISB's portion is RM4,988,409.00. The JV had, on 20 February 2013, received the Arbitrator's Final Award dated 31 January 2013, in which the Arbitrator has, inter alia, decided as follows:
 - (a) that PNMSB determination of ADP and PJISB's employment under the Contract is unlawful and invalid;

- (b) that PNMSB shall pay to ADP and PJISB the sum of RM7,970,905.87 ("**Award Sum**");
- (c) that PNMSB shall also pay interests to ADP and PJISB at the rate of 8% simple interest per annum on the Award Sum from 26 December 2007. Such interests will continue to run until the actual realisation of the said payments by PNMSB;
- (d) that PNMSB shall pay and bear ADP and PJISB's costs in the Arbitration Proceedings upon a party and party basis;
- (e) that PNMSB shall pay and bear the costs of the Award and if ADP and PJISB have already paid the whole or any part of such costs PNMSB shall reimburse ADP and PJISB accordingly; and
- (f) that all other requests and claims of ADP and PJISB and PNMSB are rejected.

The JV and PNMSB have reached an amicable settlement in respect of the Final Award received on 31 January 2013. The parties have mutually agreed for PNMSB to pay the JV a sum of RM10,101,095.43 as the full and final settlement sum, which includes interests and costs arising from the Final Award. PJISB's entitlement from the final settlement sum is RM3,915,644.21.

iv) P.J Indah (Sabah) Sdn Bhd vs Sithru Malaysia Sdn Bhd ("Sithru") and Thiruneelakanda a/l Sellathuray ("Thiru") (2nd Defendant)

By a letter dated 6 August 2003, PJI Sabah has agreed to advance a sum of RM1,005,000.00 to Sithru whom are responsible to secure a project known as "Second Railway Track between Khartoum and Port Sudan". Thiru, the Managing Director of Sithru, has given a personal guarantee to PJI Sabah to undertake the repayment up to RM800,000.00 of such advance should Sithru fail to return the advance to PJI Sabah in the event the contract is not secured.

Sithru failed to secure the contract within the stipulated period and fail to settle the advance to PJI Sabah. PJI Sabah served letter of demand for RM800,000.00 as a guarantor but Thiru had only managed to pay PJI Sabah a sum of RM180,666.00.

PJI Sabah had filed a Kuala Lumpur High Court Writ of Summons No. D-22-869-2008 on 29 May 2008 for the sum of RM824,334.00 owed by Sithru and RM685,057.73 owed by Thiru as guarantor respectively. Summary judgment was granted in favour of PJI Sabah on 31 March 2010.

Owing to failure of payment of the judgment sum, Sithru was subsequently wound-up based on a Winding-Up petition and proceeded with its bankruptcy proceedings against Thiru and PJI Sabah has reached settlement to withdraw the bankruptcy proceedings against Thiru upon receipt of RM200,000.00 on 12 January 2012 and subject to a final part payment to be received in July 2012. Since Thiru has defaulted the final part payment in July 2012, PJI Sabah has proceeded to serve the bankruptcy notice against Thiru on 11 January 2013. However the proceeding is currently on-hold as Thiru has since on 20 March 2013 through its lawyer Messrs Kassim Tadin, Wai & Co's paid PJI Sabah RM50,000.00 and further undertakes to settle the balance through few installments on and before 11 August 2013. Failing which, PJI Sabah shall then proceed to file in the Creditor Petition.

B10. Dividends

No interim dividend has been recommended for the current quarter under review.

B11. Earning Per Share

(i) Basic earnings per share

The calculation of basic earnings per share for the financial period is based on the net profit attributable to equity holders of the parent company and divided by the number of ordinary shares outstanding during the financial period.

	CURRENT YEAR QUARTER ENDED 31/03/2013	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31/03/2012	CURRENT YEAR TO DATE ENDED 31/03/2013	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31/03/2012
Profit attributable to owners of the parent company (RM'000)	250	181	901	812
Number of ordinary shares ('000)	609,070	609,070	609,070	609,070
Basic earnings per share (sen)	0.04	0.03	0.15	0.13

(ii) Diluted earnings per share

The fully diluted earnings per ordinary share is the same as the basic earnings per share as the effect of anti-dilutive potential ordinary shares is ignored in accordance with MFRS 133 on Earnings Per Share.

B12. Corporate Guarantee

Up to the quarter under review, the Group's total amount of Corporate Guarantees issued in favour to the Principal Financial Institution and Suppliers have increased by RM0.43 million to RM78.13 million as compared to RM77.70 million in the preceding quarter.

B13. Realised and Unrealised Profits/Losses Disclosure

Breakdown of unappropriated profit/(accumulated losses) into realised and unrealised profits or losses.

	AS AT 31/03/2013 (Unaudited) RM '000	AS AT 30/06/2012 (Audited) RM '000
Realised	(27,985)	(28,886)
Unrealised	-	-
Total	(27,985)	(28,886)