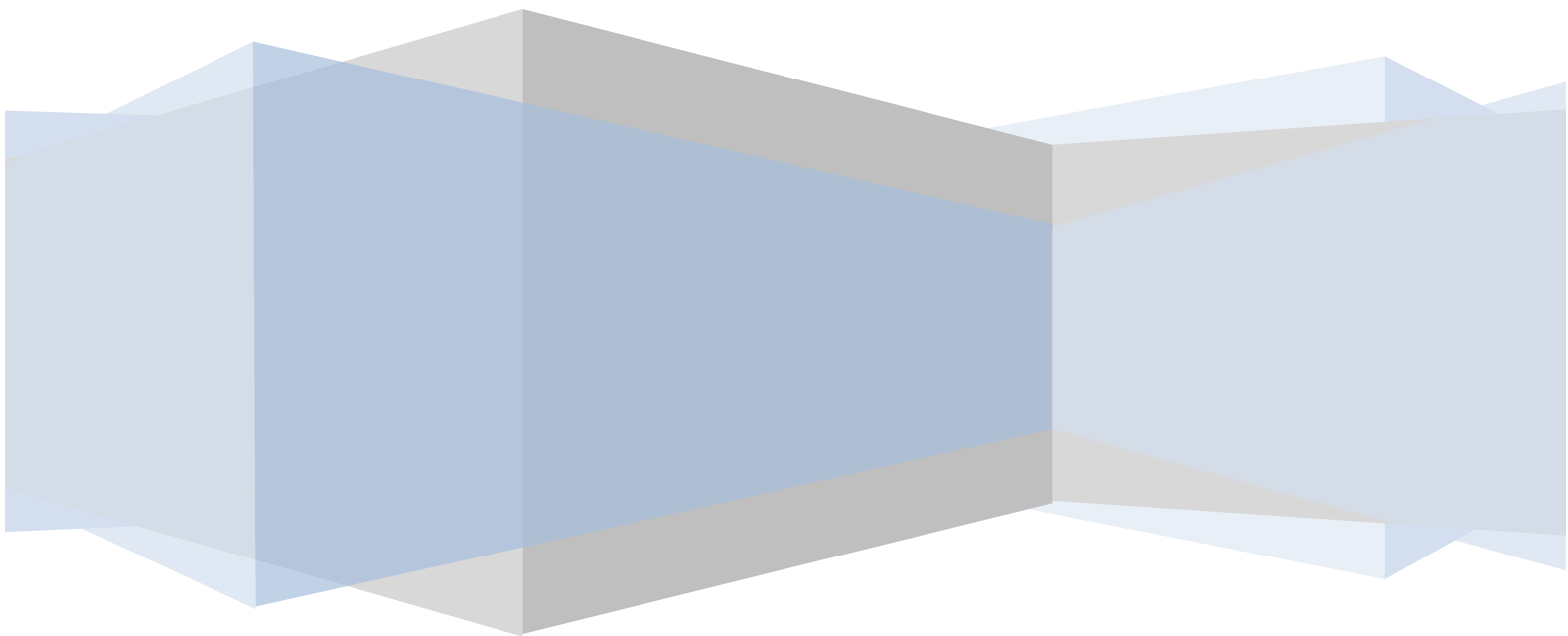


PJBUMI BERHAD

Quarterly Report

For Third Quarter Ended

30 September 2016



The Board of Directors of PJBumi Berhad (“PJBUMI” or the “Company”) is pleased to announce the following unaudited condensed consolidated financial statements for the quarter ended 30 September 2016 which should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the three-month period ended 30 September 2016

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Current quarter 3 months ended		Cumulative quarter 9 months ended	
		30-Sep 2016	30-Sep 2015	30-Sep 2016	30-Sep 2015
		Unaudited RM'000	Audited RM'000	Unaudited RM'000	Audited RM'000
Revenue	A10.1	1,591	1,140	5,507	3,603
Cost of sales		(918)	(680)	(3,296)	(2,078)
Gross profit		673	460	2,211	1,525
Other income		649	305	1,250	606
Administrative expenses		(1,713)	(1,504)	(5,095)	(4,344)
Other operating expenses		-	-	-	-
Operating loss		(391)	(739)	(1,634)	(2,213)
Finance costs		(161)	(175)	(512)	(525)
Loss before tax		(552)	(914)	(2,146)	(2,738)
Income tax expenses		(8)	-	(8)	-
Loss for the period		(560)	(914)	(2,154)	(2,738)
Loss for the period attributable to:					
Owners of the parent		(560)	(914)	(2,154)	(2,738)
		(560)	(914)	(2,154)	(2,738)
Earnings per share attributable to owners of the parent (sen per share)					
Basic	B13	(1.12)	(1.83)	(4.31)	(5.48)

Condensed Consolidated Interim Financial Statements

As at 30 September 2016

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Note	30-Sep 2016 Unaudited RM'000	31-Dec 2015 Audited RM'000
Asset		
Non-current assets		
Property, plant and equipment	18,874	18,963
Investment properties	13,955	13,955
Deferred tax assets	50	50
	32,879	32,968
Current assets		
Inventories	426	282
Trade and other receivables	7,445	6,587
Cash and cash equivalents	464	435
	8,335	7,304
Total assets	41,214	40,272

These condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

As at 30 September 2016

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

	Note	30-Sep 2016 Unaudited RM'000	31-Dec 2015 Audited RM'000
Equity and liabilities			
Equity			
Share capital		25,000	25,000
Share premium		3,473	3,473
Capital reserve		9,132	9,132
Retained earnings		(23,212)	(21,058)
Total equity		14,393	16,547
Non current liabilities			
Interest-bearing loans and borrowings	B8	7,424	7,770
Hire purchase payables		75	119
Deferred tax liabilities		164	164
		7,663	8,053
Current liabilities			
Trade and other payables		12,127	8,395
Interest-bearing loans and borrowings	B8	600	750
Hire purchase payables		59	59
Income tax payable		6,372	6,468
		19,158	15,672
Total liabilities		26,821	23,725
Total equity and liabilities		41,214	40,272

These condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 30 September 2016

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Note	Attributable to owners of the parent				
		Equity, total RM'000	Non-distributable			Distributable
			Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Retained earnings RM'000
Opening balance at 1 January 2016		16,547	25,000	3,473	9,132	(21,058)
Total comprehensive loss		(2,154)	-	-	-	(2,154)
Closing balance at 30 September 2016		14,393	25,000	3,473	9,132	(23,212)
Opening balance at 1 January 2015		19,966	25,000	3,473	9,132	(17,639)
Total comprehensive loss		(2,738)	-	-	-	(2,738)
Closing balance at 30 September 2015		17,228	25,000	3,473	9,132	(20,377)

These condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 30 September 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	9 months ended	
		30-Sep-16	30-Sep-15
		Unaudited RM'000	Audited RM'000
Operating activities			
Loss before tax		(2,146)	(2,738)
Adjustments for:			
Depreciation of investment properties		-	115
Depreciation of property, plant and equipment		104	319
Interest expenses		512	525
Total adjustment		616	959
Operating cash flows before changes in working capital		(1,530)	(1,779)
<u>Changes in working capital</u>			
Increase in inventories		(144)	(273)
(Increased)/Decrease in receivables, deposit and prepayments		(858)	1,596
Increase/(Decrease) in payables and accruals		1,165	(283)
Increase in amount due to director		2,567	1,172
Total changes in working capital		1,200	433
Interest paid		(512)	(525)
Tax paid		(104)	136
		(616)	(389)
Cash flow from operations carried forward		584	44

These condensed consolidated of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 30 September 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Note	9 months ended	
		30-Sep-16	30-Sep-15
		Unaudited RM000	Audited RM000
Cash flows from operations brought forward		584	44
Investing activities			
Acquisition of property, plant and equipment		(15)	(15)
Net cash flows used in investing activities		(15)	(15)
Financing activities			
Net repayment of loans and borrowings		(497)	112
Net repayment of hire purchase creditors		(43)	(58)
Net cash (used in)/ generated from financing activities		(540)	54
Net increase in cash and cash equivalents		29	83
Cash and cash equivalents at 1 January		435	891
Cash and cash equivalents at 30 September		464	974

These condensed consolidated of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial reports.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 September 2016****A1. CORPORATE INFORMATION**

PJBumi Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the board of directors on 25 November 2016.

A2. BASIS OF PREPARATION

These condensed consolidated interim financial statements, for the period ended 30 September 2016, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the listing requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. They should also be read in conjunction with the financial statements of the Group for the year ended 31 December 2015 and the accompanying notes attached to the condensed consolidated interim financial statements.

Within the context of these condensed consolidated interim financial statements, the Group includes the Company and its subsidiaries as at and for the quarter ended 30 September 2016.

A3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2015.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 September 2016 (Continued)****A3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

As of 1 January 2016, the Group has adopted the following MFRSs and amendments which are effective for annual periods beginning on or after 1 January 2016.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

Amendment to MFRS 5	Non-current Assets Held for Sale and Discontinued Operations (<i>Annual Improvements 2012-2014 Cycle</i>)
Amendment to MFRS 7	Financial Instruments: Disclosures (<i>Annual Improvements 2012-2014 Cycle</i>)
Amendments to MFRS 101	Presentation of Financial Statements – <i>Disclosure Initiative</i>
Amendments to MFRS 116 and MFRS 138	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to MFRS 119	Employee Benefits (<i>Annual Improvements 2012 – 2014 Cycle</i>)
Amendments to MFRS 127	Separate Financial Statements – Equity Method in <i>Separate Financial Statements</i>
Amendments to MFRS 134	Interim Financial Reporting (<i>Annual Improvements 2012-2014 Cycle</i>)

The adoption of the above amendments to MFRS did not have any material impact to the financial statements of the Group.

A4. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of PJBUMI and its subsidiaries for the year ended 31 December 2015 were not subject to any audit qualification.

A5. SEASONALITY OF OPERATION

The Group's operations are not affected by any seasonal or cyclical factors

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 September 2016 (Continued)****A6. UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows because of their nature, size and incidence during the current quarter under review and financial year-to-date.

A7. MATERIAL CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect in the current quarter under review and financial year-to-date.

A8. DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review and financial year-to-date.

A9. DIVIDEND

No interim ordinary dividend has been declared for the financial period ended 30 September 2016 (30 September 2015: Nil).

A10. SEGMENTAL INFORMATION

The group is organized into business units based on their products and services, and has five operating segments as follows:

- a) Manufacturing and sale of Fibre Reinforced plastic ('FRP'), FRP waste water treatment plant and other FRP products.
- b) Investment holding, solid waste management and garbage collection, area cleansing and other related business.
- c) Provision of after-sales support services including connecting works of fibre plastic tanks and mechanical and engineering equipment, providing maintenance, upgrading and/or rectification works, desludging works and sludge treatment.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 September 2016 (Continued)****A10. SEGMENTAL INFORMATION (CONTINUED)**

- d) Management services and investment holding.
- e) Undertake works for civil, mechanical, electrical and erection engineering.

There has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements.

The Group's segmental report for the current quarter ended 30 September 2016 is as follows:

A10.1 Revenue

	<u>Manufacturing & Trading</u> RM'000	<u>Operation & Maintenance</u> RM'000	<u>Solid Waste Management</u> RM'000	<u>Management</u> RM'000	<u>Construction & Project</u> RM'000	Elimination	<u>Consolidated</u> RM'000
Revenue							
External	254	199	586	-	552	-	1,591
Intersegment revenue	-	-	-	-	-	-	-
	<u>254</u>	<u>199</u>	<u>586</u>	<u>Nil</u>	<u>552</u>	<u>Nil</u>	<u>1,591</u>

A10.2 Loss for the Period

	<u>Manufacturing & Trading</u> RM'000	<u>Operation & Maintenance</u> RM'000	<u>Solid Waste Management</u> RM'000	<u>Management</u> RM'000	<u>Construction & Project</u> RM'000	Elimination	<u>Consolidated</u> RM'000
-Segment results	(34)	(112)	(72)	(290)	117	-	(391)
Finance costs	(99)	-	(3)	(59)	-	-	(161)
Loss before taxation							(552)
Tax Expense	-	-	-	-	(8)	-	(8)
Loss after taxation							<u>(560)</u>

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

As at 30 September 2016 (Continued)

A11. VALUATION OF PROPERTIES, PLANT AND EQUIPMENT

There is no valuation of properties, plant and equipment in the current quarter under review.

A12. SUBSEQUENT EVENT

There were no material events subsequent to the end of the current quarter under review.

A13. CONTINGENCIES

There were no material changes in contingent liabilities or contingent assets since the last audited financial statements for the year ended 31 December 2015.

A14. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter under review.

A15. CAPITAL COMMITMENT

There were no capital commitments as at end of the current quarter under review.

A16. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current quarter under review.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 September 2016 (Continued)****A17. FAIR VALUE OF FINANCIAL INSTRUMENTS**

The methods and assumptions used to determine the fair value of the following classes of financial assets and liabilities are as follows:

a) Cash and cash equivalents, trade and other receivables and payables

The carrying amounts of cash and cash equivalents, trade and other receivables and payables are reasonable approximation of fair values due to short term nature of these financial instruments.

b) Borrowings

The carrying amounts of the current portion of borrowings are reasonable approximation of fair values due to the insignificant impact of discounting. The carrying amount of long term floating rate loans approximates their fair value as the loans will be re-priced to market interest rate on or near reporting date.

When measuring fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in valuation techniques as follows:

- Level 1 – Quoted prices quoted prices (unadjusted) in active markets for identifiable assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly(i.e. prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable input).

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 September 2016 (Continued)****A17. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 31 December into three different levels as defined below:

As at 30 September 2016

RM'000	Fair value of financial instruments not carried at fair value			Carrying amount
	Level 1	Level 2	Level 3	
Financial assets				
Trade and other receivables	-	-	7,445	7,445
Cash and bank balances	-	-	464	464
	-	-	7,909	7,909

As at 31 December 2015

RM'000	Fair value of financial instruments not carried at fair value			Carrying amount
	Level 1	Level 2	Level 3	
Financial assets				
Trade and other receivables	-	-	6,587	6,587
Cash and bank balances	-	-	435	435
	-	-	7,022	7,022

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 September 2016 (Continued)****A17. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

As at 30 September 2016

RM'000	Fair value of financial instruments not carried at fair value			Carrying amount
	Level 1	Level 2	Level 3	
Financial liabilities				
Trade and other payables	-	-	12,127	12,127
Hire purchase payables	-	-	194	134
Borrowings	-	-	19,691	8,024
	-	-	32,012	20,285

As at 31 December 2015

RM'000	Fair value of financial instruments not carried at fair value			Carrying amount
	Level 1	Level 2	Level 3	
Financial liabilities				
Trade and other payables	-	-	8,395	8,395
Hire purchase payables	-	-	479	178
Borrowings	-	-	22,351	8,520
	-	-	31,225	17,093

PART B - OTHER EXPLANATORY NOTES**As at 30 September 2016****B1. REVIEW OF GROUP PERFORMANCE**

(a) Performance of the current quarter against the corresponding quarter

	30-Sep 2016 Unaudited RM'000	30-Sep 2015 Audited RM'000	% +/-
Revenue	1,591	1,140	40
Loss	(560)	(914)	39

For the quarter ended 30 September 2016, the Group has recorded revenue of RM1.591 million, which is approximately RM0.451 million or 40% higher, compared to previous year's corresponding period. Increasing in revenue mainly attributable by higher revenue generated from manufacturing and construction sector.

The Group recorded a pretax loss of RM0.560 million against of RM0.914 million in previous year's corresponding period.

B2. VARIATION OF RESULTS AGAINST THE PRECEDING QUARTER

	30-Sep 2016 Unaudited RM'000	30-Jun 2016 Audited RM'000	% +/-
Revenue	1,591	1,962	-19
Loss	(560)	(775)	28

The Group recorded revenue of RM1.591 million in the current quarter, lower by RM0.371 million or 19% compared to RM1.962 million in the preceding quarter ended 30 June 2016. The Group recorded a pretax loss of RM0.560 million in the current quarter against of RM0.775 million in the preceding quarter.

PART B - OTHER EXPLANATORY NOTES

As at 30 September 2016 (Continued)

B3. PROSPECT

The Group expects higher revenue generated from the engineering and construction segment as well as revenue from sales and servicing of FRP tanks business segment to continue contributing significant results to the consolidated revenue of the Group for the remaining quarters of the current financial year.

B4. VARIANCE OF ACTUAL AND FORECAST PROFIT

The Group did not issue any profit forecast or profit guarantee for the financial period.

B5. TAXATION

There was no adjustment of deferred taxation during the current financial quarter

B6. UNQUOTED INVESTMENT AND/OR PROPERTIES

There were no sales of unquoted investment and/or properties for the current quarter under review and financial year-to-date.

B7. CORPORATE PROPOSAL

There is no corporate proposal that was announced and not completed.

PART B - OTHER EXPLANATORY NOTES**As at 30 September 2016 (Continued)****B8. BORROWINGS**

As at 30 September 2016, the Group has the following borrowings, which are denominated in Ringgit Malaysia from various local financial institutions:-

	Secured	Total
	<u>RM'000</u>	<u>RM'000</u>
<u>Long Term Borrowings</u>		
Restructured Loans	7,424	7,424
	<u>7,424</u>	<u>7,424</u>
<u>Short Term Borrowings</u>		
Current portion of restructured loans	600	600
	<u>600</u>	<u>600</u>
Total	<u>8,024</u>	<u>8,024</u>

B9. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

The Group's derivative financial instruments as at the date of the report are disclosed in Note A17.

PART B - OTHER EXPLANATORY NOTES**As at 30 September 2016 (Continued)****B10. SUPPLEMENTARY INFORMATION ON THE DISCLOSURE OF REALISED AND UNREALISED PROFIT AND LOSS**

This information has been properly compiled, in all material aspects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and presented based on the format prescribed by Bursa Malaysia.

The accumulated losses of the Group are disclosed as follows:

	As at 30 Sept 2016 RM'000	As at 31 Dec 2015 RM'000
Total accumulated losses		
of the Company and its subsidiaries		
subsidiaries		
- realised	(23,262)	(21,108)
- unrealised	50	50
	<u>(23,212)</u>	<u>(21,058)</u>
Less : Consolidated adjustments	-	-
Total Group accumulated losses as per consolidated account	<u>(23,212)</u>	<u>(21,058)</u>

B11. “OFF BALANCE SHEET” FINANCIAL INSTRUMENT

The Group does not have any financial instruments with off balance sheet risk as at the date of this announcement.

PART B - OTHER EXPLANATORY NOTES

As at 30 September 2016 (Continued)

B12. CHANGES IN MATERIAL LITIGATION

There were no changes in material litigation during the current financial quarter.

B13. EARNING PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares held by the company.

Diluted earnings per share amounts are calculated by dividing profit for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

PART B - OTHER EXPLANATORY NOTES**As at 30 September 2016 (Continued)****B13. EARNING PER SHARE (CONTINUED)**

The following reflect the profit/loss and share data used in the computation of basic and diluted earnings per share:

	Current quarter		Cumulative quarter	
	3 months ended		9 months ended	
	30-Sep 2016	30-Sep 2015	30-Sep 2016	30-Sep 2015
Loss net of tax attributable to owners of the parent in the computation of earnings per share (RM'000)	(560)	(914)	(2,154)	(2,738)
Weighted average number of ordinary share in issue ('000)	50,000	50,000	50,000	50,000
Effects of dilution share options ('000)	Nil	Nil	Nil	Nil
Weighted average number of ordinary share for diluted earnings per share computation ('000)	50,000	50,000	50,000	50,000
Basic earning per share (sen per share)	(1.12)	(1.83)	(4.31)	(5.48)
Diluted earning per share (sen per share)	NA	NA	NA	NA

NA - Not applicable.

By Order of the Board

Secretary