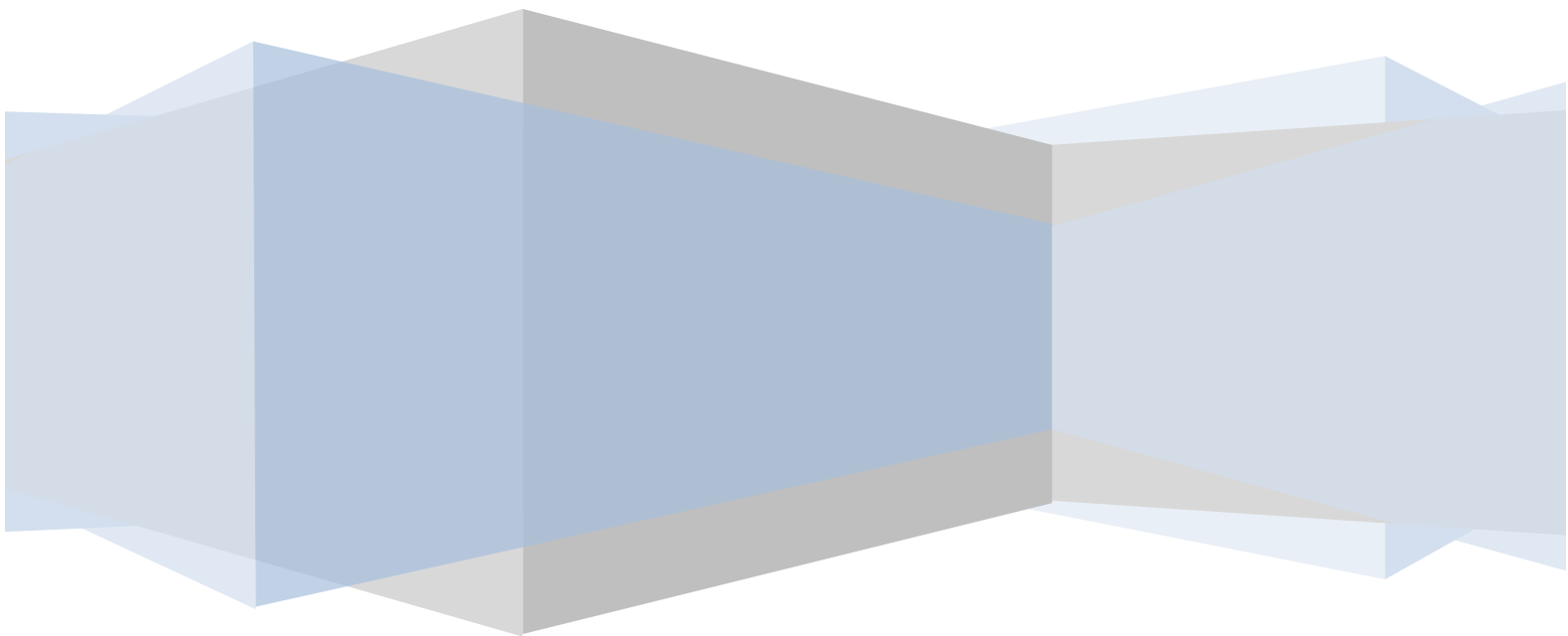


# PJBUMI BERHAD

## Quarterly Report

For Fourth Quarter Ended

31 December 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 31 December 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 31 December 2016

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Current quarter 3 months ended		Cumulative quarter 12 months ended	
		31-Dec 2016	31-Dec 2015	31-Dec 2016	31-Dec 2015
		Unaudited RM'000	Audited RM'000	Unaudited RM'000	Audited RM'000
Revenue	A10.1	2,530	1,943	8,037	5,567
Cost of sales		(1,722)	(1,150)	(5,017)	(3,226)
<b>Gross profit</b>		808	793	3,020	2,341
Other income		3,028	303	4,278	74
Administrative expenses		(2,621)	(1,526)	(7,716)	(5,268)
Other operating expenses		-	-	-	-
<b>Operating profit/(loss)</b>		1,215	(430)	(418)	(2,853)
Finance costs		(141)	(176)	(653)	(699)
<b>Profit/(Loss) before tax</b>		1,074	(606)	(1,071)	(3,552)
Income tax expenses		(361)	-	(368)	133
<b>Profit/(Loss) for the period</b>		713	(606)	(1,439)	(3,419)
<b>Profit/(Loss) for the period attributable to:</b>					
Owners of the parent		713	(606)	(1,439)	(3,419)
		713	(606)	(1,439)	(3,419)
<b>Earnings per share attributable to owners of the parent (sen per share)</b>					
Basic	B13	1.43	(1.21)	(2.88)	(6.84)

## Condensed Consolidated Interim Financial Statements

As at 31 December 2016

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Note	31-Dec 2016 Unaudited RM'000	31-Dec 2015 Audited RM'000
<b>Asset</b>		
<b>Non-current assets</b>		
Property, plant and equipment	18,552	18,963
Investment properties	10,655	13,955
Deferred tax assets	50	50
	29,257	32,968
<b>Current assets</b>		
Inventories	352	282
Trade and other receivables	7,354	6,587
Cash and cash equivalents	425	435
	8,131	7,304
<b>Total assets</b>	<b>37,388</b>	<b>40,272</b>

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 31 December 2016

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

	Note	31-Dec 2016 Unaudited RM'000	31-Dec 2015 Audited RM'000
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital		25,000	25,000
Share premium		3,473	3,473
Capital reserve		8,452	9,132
Retained earnings		(22,497)	(21,058)
<b>Total equity</b>		<b>14,428</b>	<b>16,547</b>
<b>Non current liabilities</b>			
Interest-bearing loans and borrowings	B8	5,678	7,770
Hire purchase payables		60	119
Deferred tax liabilities		201	164
		5,939	8,053
<b>Current liabilities</b>			
Trade and other payables		10,134	8,395
Interest-bearing loans and borrowings	B8	300	750
Hire purchase payables		59	59
Income tax payable		6,528	6,468
		17,021	15,672
<b>Total liabilities</b>		<b>22,960</b>	<b>23,725</b>
<b>Total equity and liabilities</b>		<b>37,388</b>	<b>40,272</b>

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 31 December 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
<b>Opening balance at 1 January 2016</b>		16,547	25,000	3,473	9,132	(21,058)
Total comprehensive loss		(1,439)	-	-	-	(1,439)
Disposal of capital reserve		(680)	-	-	(680)	-
<b>Closing balance at 31 December 2016</b>		14,428	25,000	3,473	8,452	(22,497)
<b>Opening balance at 1 January 2015</b>		19,966	25,000	3,473	9,132	(17,639)
Total comprehensive loss		(3,419)	-	-	-	(3,419)
<b>Closing balance at 31 December 2015</b>		16,547	25,000	3,473	9,132	(21,058)

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 31 December 2016

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	12 months ended	
		31-Dec-16	31-Dec-15
		Unaudited RM'000	Audited RM'000
<b>Operating activities</b>			
Loss before tax		(1,071)	(3,344)
Adjustments for:			
Bad debt recover		(1,379)	-
Bad debt written off		270	-
Depreciation of investment properties		-	154
Depreciation of property, plant and equipment		427	430
Gain on disposal of land		(771)	-
Interest expenses		653	700
Total adjustment		(800)	1,284
<b>Operating cash flows before changes in working capital</b>		<b>(1,871)</b>	<b>(2,060)</b>
<b>Changes in working capital</b>			
(Increase)/Decrease in inventories		(70)	130
Decrease in receivables, deposit and prepayments		342	830
Increase/(Decrease) in payables and accruals		943	(1,367)
Increase in amount due to director		797	2,584
Total changes in working capital		141	117
Interest paid		(653)	(700)
Tax paid		(272)	136
		(925)	(564)
<b>Cash flow used in operations carried forward</b>		<b>(784)</b>	<b>(447)</b>

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 31 December 2016

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Note	12 months ended	
		31-Dec-16	31-Dec-15
		Unaudited RM'000	Audited RM'000
<b>Cash flows from operations brought forward</b>		<b>(784)</b>	<b>(447)</b>
<b>Investing activities</b>			
Acquisition of property, plant and equipment		(16)	(34)
Proceeds from disposal of land		3,391	-
<b>Net cash flows generated/(used in) investing activities</b>		<b>3,375</b>	<b>(34)</b>
<b>Financing activities</b>			
Net repayment of loans and borrowings		(2,542)	89
Net repayment of hire purchase creditors		(59)	(64)
<b>Net cash (used in)/ generated from financing activities</b>		<b>(2,601)</b>	<b>25</b>
<b>Net increase in cash and cash equivalents</b>		<b>(10)</b>	<b>(456)</b>
<b>Cash and cash equivalents at 1 January</b>		<b>435</b>	<b>891</b>
<b>Cash and cash equivalents at 31 December</b>		<b>425</b>	<b>435</b>

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 31 December 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 24 February 2017.

**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 31 December 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 2016.



**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134****As at 31 December 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>

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

The following pronouncements that have been issued by the Malaysian Accounting Standards Board will become effective in future financial reporting periods and have not been adopted by the Group in the interim financial statements:

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134****As at 31 December 2016 (Continued)*****MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017***

Amendment to MFRS 12	Disclosure of Interests in Other Entities ( <i>Annual Improvements 2014-2016 Cycle</i> )
Amendment to MFRS 107	Statement of Cash Flows – Disclosure Initiative
Amendments to MFRS 112	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018***

MFRS 9	Financial Instruments (2014)
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 15	Revenue from Contracts with Customers: Clarifications to MFRS 15
Amendments to MFRS 128	Investment in Associates and Joint Ventures – <i>Investment Entities: Applying the Consolidation Exception</i>

The Group and the Company are expected to apply the abovementioned pronouncements beginning from the respective dates the pronouncements become effective.

**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 31 December 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 31 December 2016 (31 December 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 31 December 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 except as explained in B6 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 31 December 2016 is as follows:

**A10.1 Revenue**

	<u>Manufacturing &amp; Trading</u> RM'000	<u>Operation &amp; Maintenance</u> RM'000	<u>Solid Waste Management</u> RM'000	<u>Management</u> RM'000	<u>Construction &amp; Project</u> RM'000	Elimination	<u>Consolidated</u> RM'000
Revenue							
External	1,273	321	582	Nil	354	Nil	2,530
Intersegment revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<u>1,273</u>	<u>321</u>	<u>582</u>	<u>Nil</u>	<u>354</u>	<u>Nil</u>	<u>2,530</u>

**A10.2 Loss for the Period**

	<u>Manufacturing &amp; Trading</u> RM'000	<u>Operation &amp; Maintenance</u> RM'000	<u>Solid Waste Management</u> RM'000	<u>Management</u> RM'000	<u>Construction &amp; Project</u> RM'000	Elimination	<u>Consolidated</u> RM'000
-Segment results	1,065	(68)	(85)	329	(26)	-	1,215
Finance costs	(99)	-	(3)	(39)	-	-	(141)
Profit before taxation							1,074
Tax Expense	(35)	-	(245)	(82)	1	-	(361)
<b>Profit after taxation</b>							<u>713</u>

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**

**As at 31 December 2016 (Continued)**

**A11. VALUATION OF PROPERTIES, PLANT AND EQUIPMENT**

During the current quarter under review, valuation exercise was completed for a property belongs to a wholly-owned subsidiary at Lot PT60592, HSD 35963, Bandar Sungai Petani, District Kuala Muda, Kedah. The fair value of the investment properties is RM15.25 million.

**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 31 December 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 31 December 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 31 December 2016

<b>RM'000</b>	<b>Fair value of financial instruments not carried at fair value</b>			<b>Carrying amount</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Financial assets</b>				
Trade and other receivables	-	-	7,354	7,354
Cash and bank balances	-	-	425	425
	-	-	<b>7,779</b>	<b>7,779</b>

As at 31 December 2015

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

## PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

As at 31 December 2016 (Continued)

## A17. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

As at 31 December 2016

RM'000	Fair value of financial instruments not carried at fair value			Carrying amount
	Level 1	Level 2	Level 3	
<b>Financial liabilities</b>				
Trade and other payables	-	-	10,134	10,134
Hire purchase payables	-	-	167	119
Borrowings	-	-	13,894	5,978
	-	-	24,195	<b>16,231</b>

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	
<b>Financial liabilities</b>				
Trade and other payables	-	-	8,395	8,395
Hire purchase payables	-	-	479	178
Borrowings	-	-	22,351	8,520
	-	-	31,225	<b>17,093</b>



**PART B - OTHER EXPLANATORY NOTES****As at 31 December 2016****B1. REVIEW OF GROUP PERFORMANCE**

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

	<b>31-Dec 2016 Unaudited RM'000</b>	<b>31-Dec 2015 Audited RM'000</b>	<b>% +/-</b>
Revenue	2,530	1,943	30
Profit/(Loss)	713	(606)	218

For the quarter ended 31 December 2016, the Group has recorded revenue of RM2.53 million, which is approximately RM0.587 million or 30% higher, compared to previous year's corresponding period. Increasing in revenue mainly attributable by higher revenue generated from the manufacturing and construction.

The Group recorded a pretax profit of RM0.713 million against pretax loss of RM0.606 million in previous year's corresponding period.

**B2. VARIATION OF RESULTS AGAINST THE PRECEDING QUARTER**

	<b>31-Dec 2016 Unaudited RM'000</b>	<b>30-Sep 2016 Audited RM'000</b>	<b>% +/-</b>
Revenue	2,530	1,591	59
Profit/(Loss)	713	(560)	227

The Group recorded revenue of RM2.53 million in the current quarter, higher by RM0.939 million or 59% compared to RM1.591 million in the preceding quarter ended 30 September 2016. The Group recorded a pretax profit of RM0.713 million in the current quarter against pretax loss of RM0.560 million in the preceding quarter.

**PART B - OTHER EXPLANATORY NOTES****As at 31 December 2016 (Continued)****B3. PROSPECT**

The Group expects higher revenue generated from the engineering and construction segment as well as steady revenue from sales and servicing of FRP tanks business segment to continue contributing significant results to the consolidated revenue of the Group.

**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**

PJBumi had entered into a sale and purchase agreement with Northern Jewel Sdn Bhd on 7 January 2016 to dispose of a parcel of land for a cash consideration of RM3.77million. The said disposal has been completed on 12 October 2016.

Saved for the above and item B7, there was no sales of unquoted investment and/or properties for the current quarter under review and financial year-to-date.

**B7. CORPORATE PROPOSAL**

On 28 November 2016, PJBumi Composites Sdn Bhd (“PCSB”), a wholly-owned subsidiary of the Company had entered into Conditional Sale and Purchase Agreement (“SPA”) with YT Capital Sdn Bhd (“YCSB”) for the proposed disposal of a parcel of land held in perpetuity under Lot PT 60592, HSD 35963, Bandar Sungai Petani, District of Kuala Muda, Kedah Darul Aman together with a purpose-built detached factory erected thereon for a cash consideration of Ringgit Malaysia Thirteen Million Only (RM13,000,000).

**PART B - OTHER EXPLANATORY NOTES****As at 31 December 2016 (Continued)**

The above proposals are conditional upon the fulfilment of the following conditions precedent:-

- (i) the completion of the Proposed Acquisition;
- (ii) the approval of the shareholders of PCSB being obtained for the Proposed Disposal;
- (iii) the approval of the shareholders of PJBumi being obtained for the Proposed Disposal; and
- (iv) the approval of the Board of Directors of PCSB and PJBumi being obtained for the Proposed Disposal. The approvals of the Board of Directors of PCSB and PJBumi for the Proposed Disposal had been obtained on 21 November 2016.

Simultaneously with the Proposed Disposal the Company had, on 11 November 2016 entered into the Conditional Share Sale Agreement (“SSA”) to acquire 700,000 ordinary shares representing 70% equity interest in Goldix Resources Sdn Bhd (“GRSB”) for a total consideration of RM16,000,000. This proposed acquisition is to be satisfied via issuance of 32,000,000 new ordinary shares in PJBumi at an issuance price of RM0.50 per share together with 10,000,000 new free warrants in PJBumi to Panama Ventures Sdn Bhd, Tanjung Setara Sdn Bhd and Veto Growth Sdn Bhd proportionate to their shareholdings.

The Company also proposed issuance of RM5,000,000 new warrants at no cost to the existing shareholders of PJBumi on the basis of one (1) warrant for every ten (10) existing PJBumi shares held on an entitlement date to be determine later.

The SSA are conditional upon the fulfilment of the following conditions precedent:-

- (a) upon PJBumi being satisfied with the outcome of the financial, business and legal due diligence performed on GRSB;
- (b) the Vendors having obtained the waivers, consents or approvals in writing as may be required to give PJBumi good title to the Sale Shares;

**PART B - OTHER EXPLANATORY NOTES****As at 31 December 2016 (Continued)**

- (c) the Vendors obtaining the approval of the relevant authorities for the Proposed Acquisition, if required;
- (d) PJBumi obtaining its shareholders' approval in extraordinary general meeting for the Proposed Acquisition;
- (e) PJBumi obtaining the approval of the relevant authorities for the Proposed Acquisition, as the case may be, including but not limited to the approval of the Securities Commission Malaysia and Bursa Securities;
- (f) PJBumi receiving the letter of award for the appointment of PJBumi as the main contractor for the Project and the Phase 1A Project from GRSB and that the letter of award shall stipulate that PJBumi shall be entitled to 100% percent of the purchase price of the Phase 1A Project;
- (g) Achievement or happening of the Effective Date; and
- (h) such other waivers, consents or approvals as may be required from any third parties, if required.

As at to-date, the Proposed Disposal and Proposed Acquisition are pending fulfilment of the condition precedent.

Saved for the above, there was no other outstanding corporate proposal for the Group.

**PART B - OTHER EXPLANATORY NOTES****As at 31 December 2016 (Continued)****B8. BORROWINGS**

As at 31 December 2016, the Group has the following borrowings, which are denominated in Ringgit Malaysia from various local financial institutions:-

	<b>Secured</b>	<b>Total</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<u>Long Term Borrowings</u>		
Restructured Loans	5,678	5,678
	<u>5,678</u>	<u>5,678</u>
<u>Short Term Borrowings</u>		
Current portion of restructured loans	300	300
	<u>300</u>	<u>300</u>
Total	<u>5,978</u>	<u>5,978</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 31 December 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:

	<b>As at 31 Dec 2016 RM'000</b>	<b>As at 31 Dec 2015 RM'000</b>
Total accumulated losses of the Company and its subsidiaries subsidiaries		
- realised	(22,497)	(21,108)
- unrealised	-	50
	<u>(22,497)</u>	<u>(21,058)</u>
Less : Consolidated adjustments	-	-
<b>Total Group accumulated losses as per consolidated account</b>	<b><u>(22,497)</u></b>	<b><u>(21,058)</u></b>

**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 31 December 2016 (Continued)****B12. CHANGES IN MATERIAL LITIGATION**

- i. PJBumi has on 15 September 2015 filed a statement of claim against Manifest Frontier Sdn Bhd (“**MF**”) at the Shah Alam Session Court. The claim by PJBumi is in relation to works done under Engineering, Procurement and Construction (EPC) Contract-Proposed Development of 18-24 MW Small Hydro Power Plant at Lenggong, Gerik pursuant to a letter of award dated 26 June 2013. A consent judgement was entered into between PJBumi and Manifest Frontier on 7 October 2016 wherein Manifest Frontier agreed to pay PJBumi a sum of RM350,000 (“**Judgement Sum**”) by way of 2 instalments on 31 October 2016 and 31 November 2016. As at to-date, MF has yet to make such payments. PJBumi has instructed its solicitors to proceed with winding up against Manifest Frontier.
  
- ii. PJBumi Services Sdn Bhd (“**PJBS**”), a wholly owned subsidiary of PJBumi was served with a statement of claim filed with the Kuala Lumpur Session Court dated 18 December 2015 by Lembaga Kumpulan Wang Simpanan Pekerja (“**EPF**”). EPF claims for the outstanding contributions for employees in PJBS for the period of June 2006 to August 2007 and October 2007 to January 2008 together with interest and dividend for the sum of RM409,547 which was later amended orally by EPF to RM351,617. The Kuala Lumpur Session Court granted its decision on 15 December 2016 where EPF’s claim was dismissed. EPF is now appealing to the High Court and the same is fixed for further case management on 9 March 2017.

**PART B - OTHER EXPLANATORY NOTES****As at 31 December 2016 (Continued)**

- iii. PJBumi Waste Management Sdn Bhd (“**PJWM**”), a wholly owned subsidiary of PJBumi was served with a writ of summon and statement of claim filed with the Kuala Lumpur High Court dated 21 October 2016 and 18 October 2016 respectively by the Malaysia Government (Lembaga Hasil Dalam Negeri Malaysia) (“**LHDN**”). LHDN claims income tax for the year of assessment 2012, 2013 and 2014 for the total sum of RM1,656,172.06. The Kuala Lumpur High Court has fixed the final case management on 17 February 2017 and hearing to be on 13 April 2017. On 17 February 2017, PJBW and IRB has entered into a consent judgment that the outstanding amount is payable in 36 installments commencing 28 February 2017.

**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 31 December 2016 (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		12 months ended	
	31-Dec 2016	31-Dec 2015	31-Dec 2016	31-Dec 2015
Profit/(Loss) net of tax attributable to owners of the parent in the computation of earnings per share (RM'000)	713	(606)	(1,439)	(3,419)
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)	1.43	-1.21	(2.88)	(6.84)
Diluted earning per share (sen per share)	NA	NA	NA	NA

NA - Not applicable.

**By Order of the Board**

Secretary