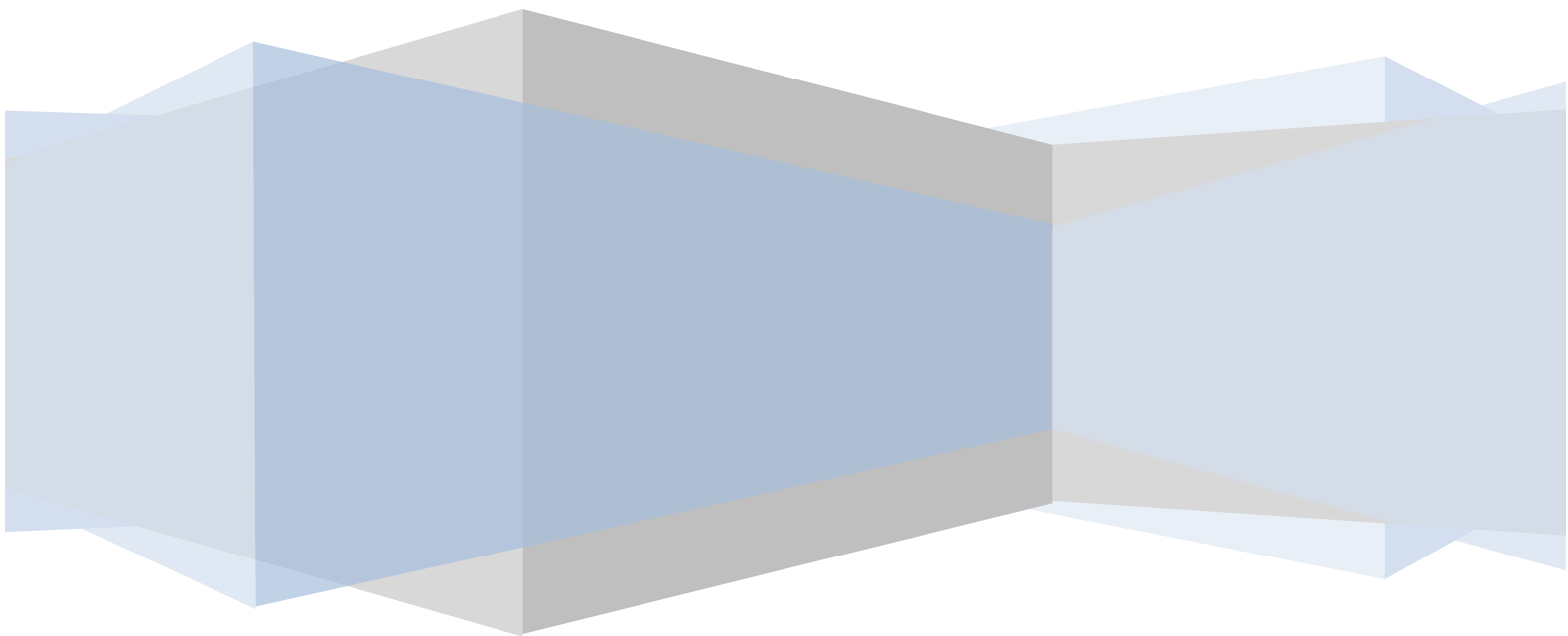


PJBUMI BERHAD

Quarterly Report

For Second Quarter Ended

30 June 2017



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 June 2017 which should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the three-month period ended 30 June 2017

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	<i>Current quarter</i>		<i>Cumulative quarter</i>	
		<i>3 months ended</i>		<i>6 months ended</i>	
		30-Jun 2017 Unaudited RM'000	30-Jun 2016 Audited RM'000	30-Jun 2017 Unaudited RM'000	30-Jun 2016 Audited RM'000
Revenue	A10.1	1,137	1,962	2,298	3,915
Cost of sales		(795)	(1,134)	(1,665)	(2,377)
Gross profit		342	828	633	1,538
Other income		300	300	602	600
Administrative expenses		(1,512)	(1,728)	(3,153)	(3,383)
Other operating expenses		-	-	-	-
Operating loss		(870)	(600)	(1,918)	(1,245)
Finance costs		(724)	(175)	(825)	(350)
Loss before tax		(1,594)	(775)	(2,743)	(1,595)
Income tax expenses		-	-	-	-
Loss for the period		(1,594)	(775)	(2,743)	(1,595)
Loss for the period attributable to:					
Owners of the parent		(1,594)	(775)	(2,743)	(1,595)
		(1,594)	(775)	(2,743)	(1,595)
Earnings per share attributable to owners of the parent (sen per share)					
Basic	B13	(3.19)	(1.55)	(5.49)	(3.19)

Condensed Consolidated Interim Financial Statements

As at 30 June 2017

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Note	30-Jun 2017 Unaudited RM'000	31-Dec 2016 Audited RM'000
Asset		
Non-current assets		
Property, plant and equipment	534	596
Investment properties	10,655	10,655
Deferred tax assets	50	50
	11,239	11,301
Current assets		
Inventories	299	352
Trade and other receivables	5,641	8,654
Assets classified as held for sale	17,810	17,956
Cash and cash equivalents	839	425
	24,589	27,387
Total assets	35,828	38,688

These condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

As at 30 June 2017

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

	Note	30-Jun 2017 Unaudited RM'000	31-Dec 2016 Audited RM'000
Equity and liabilities			
Equity			
Share capital		25,000	25,000
Reserve		11,925	11,925
Retained earnings		(25,247)	(22,504)
Total equity		11,678	14,421
Non current liabilities			
Interest-bearing loans and borrowings	B8	5,678	5,678
Hire purchase payables		29	60
Deferred tax liabilities		201	201
		5,908	5,939
Current liabilities			
Trade and other payables		11,710	11,435
Interest-bearing loans and borrowings	B8	300	300
Hire purchase payables		59	59
Income tax payable		6,173	6,534
		18,242	18,328
Total liabilities		24,150	24,267
Total equity and liabilities		35,828	38,688

These condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 30 June 2017

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 2017		14,421	25,000	3,473	8,452	(22,504)
Total comprehensive loss		(2,743)	-	-	-	(2,743)
Closing balance at 30 June 2017		11,678	25,000	3,473	8,452	(25,247)
Opening balance at 1 January 2016		16,547	25,000	3,473	9,132	(21,058)
Total comprehensive loss		(1,595)	-	-	-	(1,595)
Closing balance at 30 June 2016		14,952	25,000	3,473	9,132	(22,653)

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 2016 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 30 June 2017

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	6 months ended	
		30-Jun-17	30-Jun-16
		Unaudited RM'000	Audited RM'000
Operating activities			
Loss before tax		(2,743)	(1,595)
Adjustments for:			
Depreciation of property, plant and equipment		208	70
Interest expenses		822	350
Total adjustment		1,030	420
Operating cash flows before changes in working capital		(1,713)	(1,175)
<u>Changes in working capital</u>			
Decrease/(Increase) in inventories		53	(70)
Decrease/(Increase) in receivables, deposit and prepayments		3,013	(340)
Increase in payables and accruals		275	1,483
Increase in amount due to director		-	791
Total changes in working capital		1,628	689
Interest paid		(822)	(350)
Tax paid		(361)	(71)
		(1,183)	(421)
Cash flow from operations carried forward		445	268

These condensed consolidated of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 30 June 2017

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Note	6 months ended	
		30-Jun-17	30-Jun-16
		Unaudited RM'000	Audited RM'000
Cash flows from operations brought forward		445	268
Investing activities			
Acquisition of property, plant and equipment		-	(9)
Net cash flows used in investing activities		-	(9)
Financing activities			
Net repayment of loans and borrowings		-	(150)
Net repayment of hire purchase creditors		(31)	(29)
Net cash used in from financing activities		(31)	(179)
Net increase in cash and cash equivalents		414	80
Cash and cash equivalents at 1 January		425	435
Cash and cash equivalents at 30 June		839	515

These condensed consolidated of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial reports.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

As at 30 June 2017

A1. CORPORATE INFORMATION

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

These condensed consolidated interim financial statements were approved by the Board of Directors on 28 August 2017.

A2. BASIS OF PREPARATION

These condensed consolidated interim financial statements, for the period ended 30 June 2017, 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 2016 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 June 2017.

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 30 June 2017 (Continued)****A3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The followings are accounting standards, amendments and interpretations of MFRS framework that has been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been adopted by the Group.

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

MFRS 14	Regulatory Deferral Accounts
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 10	Consolidated Financial Statements and MFRS 128, Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 10	Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investment in Associates and Joint Ventures – Investment Entities : Applying the Consolidation Exception
Amendments to MFRS 11	Joint Arrangements – <i>Accounting for Acquisitions of Interests in Joint Operations</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 116 and MFRS 141	<i>Agriculture – Agriculture: Bearer Plants</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>

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

As at 30 June 2017 (Continued)

A3. SIGNIFICANT ACCOUNTING POLICIES (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

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.

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

MFRS 9	<i>Financial Instruments (2014)</i>
MFRS 15	<i>Revenue from Contracts with Customers</i>
Amendments to MFRS 1	<i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016)</i>
Amendments to MFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to MFRS 140	Investment Property – Transfers of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

MFRS 16	<i>“Leases”</i>
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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 June 2017 (Continued)****A3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

None of the standards listed above are expected to have a significant effect on the financial statements of the Company upon initial application, except for the following:

- Amendments to MFRS 107 'Statement of Cash Flows - Disclosure Initiative' (effective from 1 January 2017) introduce an additional disclosure on changes in liabilities arising from financing activities.
- MFRS 9 "Financial Instruments" (effective 1 January 2018) will replace MFRS 139 "Financial Instruments: Recognition and Measurement".

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income ("OCI"). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 June 2017 (Continued)****A3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- MFRS 9 "Financial Instruments" (effective 1 January 2018) will replace MFRS 139 "Financial Instruments: Recognition and Measurement" (cont'd).

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in OCI rather than the profit or loss, unless this creates an accounting mismatch.

MFRS 9 introduces an expected credit losses model on impairment that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The Company are currently still in process of assessing the impact of the new standards upon initial application of these standards.

A4. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of PJBUMI and its subsidiaries for the year ended 31 December 2016 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 June 2017 (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 June 2017 (30 June 2016: 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 June 2017 (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 30 June 2017 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	179	230	574	Nil	154	Nil	1,137
Intersegment revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<u>179</u>	<u>230</u>	<u>574</u>	<u>Nil</u>	<u>154</u>	<u>Nil</u>	<u>1,137</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	(446)	(107)	(68)	(266)	17	-	(870)
Finance costs	(722)	-	(2)	-	-	-	(724)
Loss before taxation							(1,594)
Tax Expense	-	-	-	-	-	-	-
Loss after taxation							<u>(1,594)</u>

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

As at 30 June 2017 (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 2016.

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 June 2017 (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 June 2017 (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 30 June into three different levels as defined below:

As at 30 June 2017

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	-	-	5,641	5,641
Cash and bank balances	-	-	839	839
	-	-	6,480	6,480

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	
Financial assets				
Trade and other receivables	-	-	8,654	8,654
Cash and bank balances	-	-	425	425
	-	-	9,079	9,079

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 30 June 2017 (Continued)****A17. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

As at 30 June 2017

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	-	-	11,710	11,710
Hire purchase payables	-	-	110	88
Borrowings	-	-	14,623	5,978
	-	-	26,443	17,776

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	
Financial liabilities				
Trade and other payables	-	-	11,435	11,435
Hire purchase payables	-	-	167	119
Borrowings	-	-	16,141	5,978
	-	-	27,743	17,532

PART B - OTHER EXPLANATORY NOTES

As at 30 June 2017

B1. REVIEW OF GROUP PERFORMANCE

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

	30-June 2017 Unaudited RM'000	30-June 2016 Audited RM'000	% +/-
Revenue	1,137	1,962	-42
Loss	1,594	775	-106

For the quarter ended 30 June 2017, the Group has recorded revenue of RM1.137 million, which is approximately RM0.825 million or 42% lower, compared to previous year's corresponding period. Continuous decreasing in revenue mainly attributable by lower revenue generated from the manufacturing division.

The Group recorded a pretax loss of RM1.594 million against of RM0.775 million in previous year's corresponding period.

B2. VARIATION OF RESULTS AGAINST THE PRECEDING QUARTER

	30-June 2017 Unaudited RM'000	31-Mar 2017 Audited RM'000	% +/-
Revenue	1,137	1,161	-2
Loss	1,594	1,148	-39

The Group recorded revenue of RM1.137 million in the current quarter, slightly lower by RM0.024 million or 2% compared to RM1.161 million in the preceding quarter ended 31 March 2016. The Group recorded a pretax loss of RM1.594 million in the current quarter against of RM1.148 million in the preceding quarter.

PART B - OTHER EXPLANATORY NOTES**As at 30 June 2017 (Continued)****B3. PROSPECT**

The Group expects higher revenue in the next quarter result, generated from the engineering and construction segment as well as steady revenue from waste management services, servicing of FRP tanks business segment to continue contributing significant results to the consolidated revenue of the Group.

The Group also aims to develop its composite capabilities to build telecommunication towers, light poles and other FRP products and focus on new area of growth in waste management services such as waste treatment facilities.

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

Saved for 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

- i. 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.*

The Proposed Disposal has completed on 13th July 2017.

PART B - OTHER EXPLANATORY NOTES

As at 30 June 2017 (Continued)

B7. CORPORATE PROPOSAL (CONTINUED)

- ii. *Proposed Acquisition 700,000 ordinary shares representing 70% equity interest in Goldix Resources Sdn Bhd (“GRSB”) 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 above corporate proposal has completed on 12th July 2017.

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

B8. BORROWINGS

As at 30 June 2017, the Group has the following borrowings, which are denominated in Ringgit Malaysia from various local financial institutions:-

	Secured	Total
	RM'000	RM'000
<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><u>5,978</u></u>	<u><u>5,978</u></u>

PART B - OTHER EXPLANATORY NOTES**As at 30 June 2017 (Continued)****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.

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 June 2017 RM'000	As at 31 Dec 2016 RM'000
	<u> </u>	<u> </u>
Total accumulated losses of the Company and its subsidiaries subsidiaries		
- realised	(25,297)	(22,554)
- unrealised	50	50
	<u>(25,247)</u>	<u>(22,504)</u>
Less : Consolidated adjustments	<u>-</u>	<u>-</u>
Total Group accumulated losses as per consolidated account	<u>(25,247)</u>	<u>(22,504)</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 June 2017 (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’s solicitor has filed a statutory winding up notice against MF on 9 May 2017.

- 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 has filed an appeal to the High Court and again on 7 July 2017, EPF’s claim was dismissed. EPF is now appealing to the Court of Appeal and the same is fixed for case management on 6 September 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.

PART B - OTHER EXPLANATORY NOTES**As at 30 June 2017 (Continued)****B13. EARNING PER SHARE (CONTINUED)**

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.

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		6 months ended	
	30-Jun	30-Jun	30-Jun	30-Jun
	2017	2016	2017	2016
Loss net of tax attributable to owners of the parent in the computation of earnings per share (RM'000)	(1,594)	(775)	(2,743)	(1,595)
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)	(3.19)	(1.55)	(5.49)	(3.19)
Diluted earning per share (sen per share)	NA	NA	NA	NA

NA - Not applicable.

By Order of the Board

Secretary