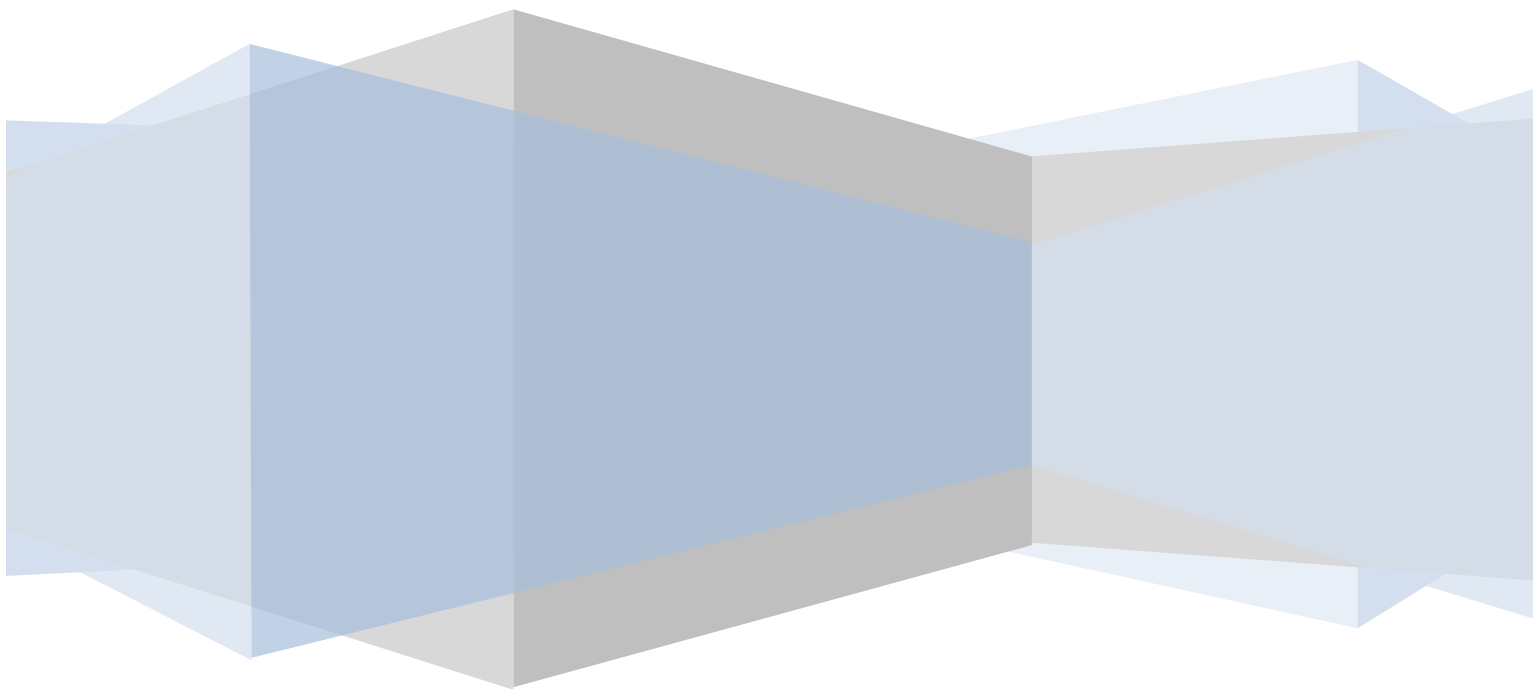


PJBUMI BERHAD

Quarterly Report

For First Quarter Ended

31 Mac 2019



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 Mar 2019 which should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the three-month period ended 31 Mar 2019

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Current quarter 3 months ended		Cumulative quarter 3 months ended	
		31-Mar 2019	31-Mar 2018	31-Mar 2019	31-Mar 2018
		Unaudited RM'000	Audited RM'000	Unaudited RM'000	Audited RM'000
Revenue	A10.1	4,705	1,100	4,705	1,100
Cost of sales		(4,186)	(536)	(4,186)	(536)
Gross profit		519	564	519	564
Other income		132	26	132	26
Administrative expenses		(581)	(1,054)	(581)	(1,054)
Other operating expenses		-	(13)	-	(13)
Operating profit/(loss)		70	(477)	70	(477)
Finance costs		-	(1)	-	(1)
Profit/(loss) before tax		70	(478)	70	(478)
Income tax expenses		-	-	-	-
Net profit/(loss), total comprehensive profit/(loss) for the period		70	(478)	70	(478)
Net profit/(loss), total comprehensive profit/(loss) for the period attributable to :					
Equity holders of the company		70	(478)	70	(478)
Non-controlling interests		-	-	-	-
		70	(478)	70	(478)
Basic earnings per share attributable to shareholders of the company (sen per share)					
Basic	B13	0.09	(0.58)	0.09	(0.58)

Condensed Consolidated Interim Financial Statements

As at 31 Mar 2019

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Note	31-Mar 2019 Unaudited RM'000	31-Dec 2018 Audited RM'000
Asset		
Non-current assets		
Property, plant and equipment	137	145
Investment properties	10,655	10,655
Deferred tax assets	184	184
Goodwill	15,313	15,313
	26,289	26,297
Current assets		
Inventories	213	213
Trade and other receivables	13,512	9,763
Cash and cash equivalents	437	159
	14,162	10,135
Total assets	40,451	36,432

These condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

As at 31 Mar 2019

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

Note	31-Mar 2019 Unaudited RM'000	31-Dec 2018 Audited RM'000
Equity and liabilities		
Equity		
Share capital	44,473	44,473
Reserve	4,775	4,775
Accumulated losses	(27,085)	(27,155)
Equity attributable to the owners of the Company	22,163	22,093
Non-controlling interest	221	221
Total equity	22,384	22,314
Non current liabilities		
Deferred tax liabilities	140	140
Trade and other payables	1,996	2,194
	2,136	2,334
Current liabilities		
Trade and other payables	10,383	6,236
Income tax payable	5,548	5,548
	15,931	11,784
Total liabilities	18,067	14,118
Total equity and liabilities	40,451	36,432

These condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 31 Mac 2019

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent						Non controlling interest	Total Equity
	Distributable/(Non-distributable)							
	Note	Share capital RM'000	Revaluation reserve RM'000	Warrant reserve RM'000	Accumulated losses RM'000	Total RM'000		
At 1 January 2019		44,473	4,694	81	(27,155)	22,093	221	22,314
Profit for the period		-	-	-	70	70	-	70
At 31 Mac 2019		44,473	4,694	81	(27,085)	22,163	221	22,384
At 1 January 2018		44,473	4,694	81	(27,416)	21,832	246	22,078
Loss for the period					(478)	(478)		(478)
At 31 Mac 2018		44,473	4,694	81	(27,894)	21,354	246	21,600

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 2018 and the accompanying explanatory notes attach to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 31 Mac 2019

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	3 months ended	
		31-Mar-19	31-Mar-18
		Unaudited RM000	Audited RM000
Operating activities			
Profit/(loss) before tax		70	(478)
Adjustments for:			
Depreciation of property, plant and equipment		8	(25)
Loss on disposal of property, plant and equipment		-	13
Interest expenses		-	1
Total adjustment		8	(11)
Operating loss before changes in working capital		78	(489)
<u>Changes in working capital</u>			
Increase in inventories		-	(39)
Increase in receivables, deposit and prepayments		(3,749)	(17)
Increase in payables and accruals		3,935	1,126
Increase in amount due to director		14	78
Cash generated from operations		278	659
Interest paid		-	(1)
Tax paid		-	(131)
		-	(132)
Net cash generated from operations carried forward		278	527

These condensed consolidated of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial reports.

Condensed Consolidated Interim Financial Statements

For the year ended 31 Mac 2019

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Note	3 months ended	
		31-Mar-19 Unaudited RM'000	31-Mar-18 Audited RM'000
Net cash generated from operations brought forward		278	527
Investing activities			
Proceeds from sale of property, plant and equipment		-	63
Acquisition of property, plant and equipment		-	(3)
Net cash generated from investing activities		-	60
Financing activities			
Net repayment of loans and borrowings		-	(879)
Net repayment of hire purchase creditors		-	(2)
Net cash used in from financing activities		-	(881)
Net increase/(decrease) in cash and cash equivalents		278	(294)
Cash and cash equivalents at 1 January		159	638
Cash and cash equivalents at 31 Mac		437	344

These condensed consolidated of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial reports.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 31 Mac 2019****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 30 May 2019.

A2. BASIS OF PREPARATION

These condensed consolidated interim financial statements, for the period ended 31 Mac 2019, 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 2018 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 Mac 2019.

A3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the same 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 2018.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 31 Mac 2019 (Continued)****A3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

As of 1 January 2019, the Group has adopted the following MFRS and Amendments to MFRSs and Annual Improvement to Standards

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

- MFRS 16 Leases
- Amendments to MFRS 3 Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 9 Financial Instruments – Prepayment Features with Negative Comparison
- Amendments to MFRS 11 Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 112 Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 123 Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 128 Investments in Associates and Joint Ventures - Long- term Interests in Associates and Joint Ventures
- IC Interpretation 23 Uncertainty over Income Tax Treatments
- Amendments to MFRS 119, Employee Benefits - Plan, Amendment, Curtailment or Settlement.

The initial application on the above pronouncements will have no material impact on the financial statements of the Group.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 31 Mac 2019 (Continued)****A3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The following are accounting standards, amendments and interpretations of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, Insurance Contracts

Amendments to MFRSs effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures Sales or Contribution of Assets between an Investor and its Associate and Joint Venture.

The Group and the Company will apply the above MFRSs, Amendments and Interpretations that are applicable once they become effective. The initial application of application of the above MFRSs, Amendments and Interpretations is not expected to have any significant impact on the financial statements of the Group and the Company

A4. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of PJBUMI and its subsidiaries for the year ended 31 December 2018 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 Mac 2019 (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 was 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 Mac 2019 (31 Mac 2018: Nil).

A10. SEGMENTAL INFORMATION

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.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**As at 31 Mac 2019 (Continued)****A10. SEGMENTAL INFORMATION (CONTINUED)**

A10.1 The Group's segmental report for the current quarter ended 31 Mac 2019 is as follows:

	Manufacturing & Trading	Operation, Maintenance & design	Waste Management Services	Corporate holding	Construction & Project	Resources & Commodity Trading	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Revenue								
External	19	147	489	-	-	4,050	-	4,705
Segment Results								
{rofit/(Loss) from operations	(31)	(45)	(84)	63	(81)	248	-	70
Finance costs	-	-	-	-	-	-	-	-
Profit/(Loss) before taxation	(31)	(45)	(84)	63	(81)	248	-	70
Tax Expense	-	-	-	-	-	-	-	-
Net profit/(loss) after taxation	(31)	(45)	(84)	63	(81)	248	-	70
attributable to:								
Equity holders of the company								70
Non-controlling interest								-
Net profit for the period								70

The review of the Group's and segmental performance is further illustrated in Note B1 and B2.

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.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

As at 31 Mac 2019 (Continued)

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 2018.

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 B - OTHER EXPLANATORY NOTES

As at 31 Mac 2019

B1. REVIEW OF GROUP PERFORMANCE

	Types of goods & services	Current	Preceding	Variance	Variance
		Year To	Year		
		Date	Corresponding	Amount	%
		31-Mar-19	31-Mar-18	RM000	+ / (-)
		RM000	RM000	RM000	
Revenue					
Manufacturing & Trading	Environmental	19	68	(49)	-72%
Operation & Maintenance contract	Environmental	147	260	(113)	-43%
Waste Management contract	Environmental	489	772	(283)	-37%
Commodity Trading	Environmental	4,050	-	4,050	100%
		4,705	1,100	3,605	328%
Segment results					
Manufacturing & Trading		(31)	(132)	101	77%
Operation & Maintenance contract		(45)	(60)	15	25%
Waste Management contract		(84)	139	(223)	160%
Construction & Project		(81)	(136)	55	40%
Commodity Trading		248	-	248	100%
Corporate holding		63	(288)	351	122%
Profit/(Loss) from operations		70	(477)	547	115%
Finance costs		-	(1)	1	100%
Profit/(loss) before taxation		70	(478)	548	115%
Tax expense		-	-	-	-
Net profit/(loss), total comprehensive		70	(478)	548	115%
profit/(loss) attributable to :					
Equity holders of the company		70	(478)		
Non-controlling interest		-	-		
		70	(478)		

1.1 Segment Background

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) Solid waste management and garbage collection, area cleansing and other related business.

PART B - OTHER EXPLANATORY NOTES**As at 31 Mac 2019****B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)****1.1 Segment Background (continued)**

- 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.
- d) Undertake works for civil, mechanical, electrical and erection engineering.
- e) Commodity Trading in palm oil related business.
- f) Management services and investment holding.

1.2 Group and segment Analysis**Group Analysis**

The Group has recorded revenue of RM4.705 million, which is approximately RM3.605 million or 328% higher compared to previous year's corresponding period of RM1.100 million. The increase in revenue mainly attributable by the commodity trading in palm oil sector.

The Group recorded a pretax profit of RM0.070 million against RM0.478 million pretax loss in the previous year's corresponding period. This were mainly due to the followings:

- i. Reduction in employee benefits expenses by RM0.223 million or 40%.
The total number of employees of the Group at the current quarter was 37 (March 2018 : 54)
- ii. Reduction in administrative expenses by RM0.237 million or 36% due to prudent spending.

PART B - OTHER EXPLANATORY NOTES**As at 31 Mac 2019 (Continued)****B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)****1.2 Group and Segment Analysis (continued)****Segment Analysis****a) Manufacturing and Trading**

For the current period ended 31 Mac 2019, the Manufacturing and Trading segment contributed minimal revenue to the total Group revenue compared to 7% contribution in previous year. This was due to further delay in product certifications by IKRAM for bigger tanks.

b) Operation & maintenance

The Operation & Maintenance contributed RM0.147 million or 3% from the Group total revenue. The revenue has decreased 43% from the previous corresponding period due to lesser contract secured in this quarter. This segment has a potential growth in its revenue contribution from new additional services provided and demand from customers for corrective works and refurbishment of old wastes water treatment plants.

c) Solid Waste Management

The Solid Waste Management contributed 10% from the Group revenue compared to 70% from the previous corresponding period. The revenue however was lower due to contract with Vale Minerals (M) Sdn Bhd has ended in January 2019.

d) Construction & project

The Construction & Project segment has not contributed any revenue to the Group in the current quarter due to delay in Felda Serting project.

e) Commodity Trading

This segment was the largest revenue contributor for the Group revenue with 86% contribution. This division is expecting to increase in volume of trading in palm oil related products this year.

PART B - OTHER EXPLANATORY NOTES

As at 31 Mar 2019 (Continued)

B2. VARIATION OF RESULTS AGAINST THE PRECEDING QUARTER

	Types of goods & services	Quarter To	Quarter To	Variance	
		Date	Date	Amount	Variance
		31-Mar-19	31-Dec-18	RM000	%
		RM000	RM000	RM000	+/(-)
Revenue					
Manufacturing & Trading	Environmental	19	607	(588)	-97%
Operation & Maintenance contract	Environmental	147	315	(168)	-53%
Waste Management contract	Environmental	489	753	(264)	-35%
Construction & Project	Environmental	-	23	(23)	-100%
Commodity Trading	Environmental	4,050	-	4,050	100%
		4,705	1,698	3,007	177%
Segment results					
Manufacturing & Trading		(31)	644	(675)	-105%
Operation & Maintenance contract		(45)	39	(84)	-215%
Waste Management contract		(84)	69	(153)	-222%
Construction & Project		(81)	(41)	(40)	-98%
Commodity Trading		248	(27)	275	1019%
Corporate holding		63	100	(37)	-37%
(Loss)/Profit from operations		70	784	(714)	-91%
Finance costs		-	-	-	-
(Loss)/Profit before taxation		70	784	(714)	-91%
Tax expense		-	194	-	-
Net (loss)/profit, total comprehensive		70	978	(908)	-93%
(loss)/profit attributable to :					
Equity holders of the company		70	979		
Non-controlling interest		-	(1)		
		70	978		

2.1 Group and Segment Analysis**Group Analysis**

The Group total revenue for the 1st quarter 2019 has increased by RM3.007 million or 177% from the preceding quarter of RM1.698 million. The increase in revenue mainly attributable by the commodity trading division.

The Group recorded a pretax profit of RM0.070 million against a pretax profit of RM0.784 million in the previous quarter.

PART B - OTHER EXPLANATORY NOTES

As at 31 Mac 2019 (Continued)

B2. VARIATION OF RESULTS AGAINST THE PRECEDING QUARTER (CONTINUED)**2.1 Group and Segment Analysis (continued)****Segment Analysis****a) Manufacturing and Trading**

There was decrease in revenue contribution for this segment by RM0.588 million due revenue recognition from previous years completed project. This segment however anticipates to capture its revenue in the 3rd quarter 2019.

b) Operation & maintenance

The revenue has decrease by RM0.168 million or 53% from the preceding quarter mainly due contract ended for UiTM Dungun and no corrective work contracts secured in this current quarter.

c) Solid Waste Management

This segment has recorded decrease in revenue by 35% compared to the preceding quarter due to contract with Vale Malaysia Sdn Bhd has ended in January 2019.

d) Commodity Trading

This is the only segment recorded an increase in revenue by RM4.050 million and a pretax profit of RM0.248 million.

PART B - OTHER EXPLANATORY NOTES**As at 31 Mac 2019 (Continued)****B3. PROSPECT**

Barring any unforeseen circumstances, The Group and the Board of Directors expect higher revenue generated from 2nd quarter onwards from the engineering and construction (“EC”) segment and services & maintenance segment through marine related maintenance & services works and installation of telecommunication towers. The Group also expected steady revenue from waste management services, and commodity trading segment to continue contributing to the Group’s revenue.

The Group also developing its composite capabilities in fabrication of small tubular telecommunication towers, decorative light poles and other FRP products and focus on new area of growth in waste management services.

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 was no sale 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 for the current quarter under review.

B8. BORROWINGS

There was no borrowing for the Group during the current financial quarter.

PART B - OTHER EXPLANATORY NOTES**As at 31 Mac 2019 (Continued)****B9. DISCLOSURE OF GAINS/(LOSSES) ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 March 2019.

B10. “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.

B11. CHANGES IN MATERIAL LITIGATION

- i. PJBumi Composites Sdn Bhd (“PJBC”), a wholly owned subsidiary of PJBumi was served on 5 February 2018 with a winding-up petition by Lembaga Hasil Dalam Negeri (“LHDN”) for and on behalf of Government of Malaysia (“Petitioner” or “GOM”). The Petitioner claims that as at 21 August 2017, the accrued balance on income tax is RM2,082,434.00 and interest will be charged at 4% per annum from the date of judgement until full settlement and cost of RM6,563.00. On 10 October 2018, the Honorable Court of Appeal has rejected PJBC’s stay application.

The Winding Up Order has been granted against PJBC and PJBC's appeal on stay application was dismissed by the Court of Appeal on 10 October 2018. Now PJBC has submitted a proposal repayment scheme for creditors and this proposal will be presented after the appointment of Official Receiver Manager or Liquidator.

PART B - OTHER EXPLANATORY NOTES**As at 31 Mar 2019 (Continued)****B12. 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.

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		3 months ended	
	31-Mar 2019	31-Mar 2018	31-Mar 2019	31-Mar 2018
Loss net of tax attributable to owners of the parent in the computation of earnings per share (RM'000)	70	(478)	70	(478)
Weighted average number of ordinary share in issue ('000)	82,000	82,000	82,000	82,000
Effects of dilution share options ('000)	Nil	Nil	Nil	Nil
Weighted average number of ordinary share for diluted earnings per share computation ('000)	82,000	82,000	82,000	82,000
Basic earning per share (sen per share)	0.09	(0.58)	0.09	(0.58)
Diluted earning per share (sen per share)	NA	NA	NA	NA

NA - Not applicable.

By Order of the Board

Secretary