



PJBUMI BERHAD
(141537-M)

Technology For
The **GREEN**
Environment

Annual Report
2009



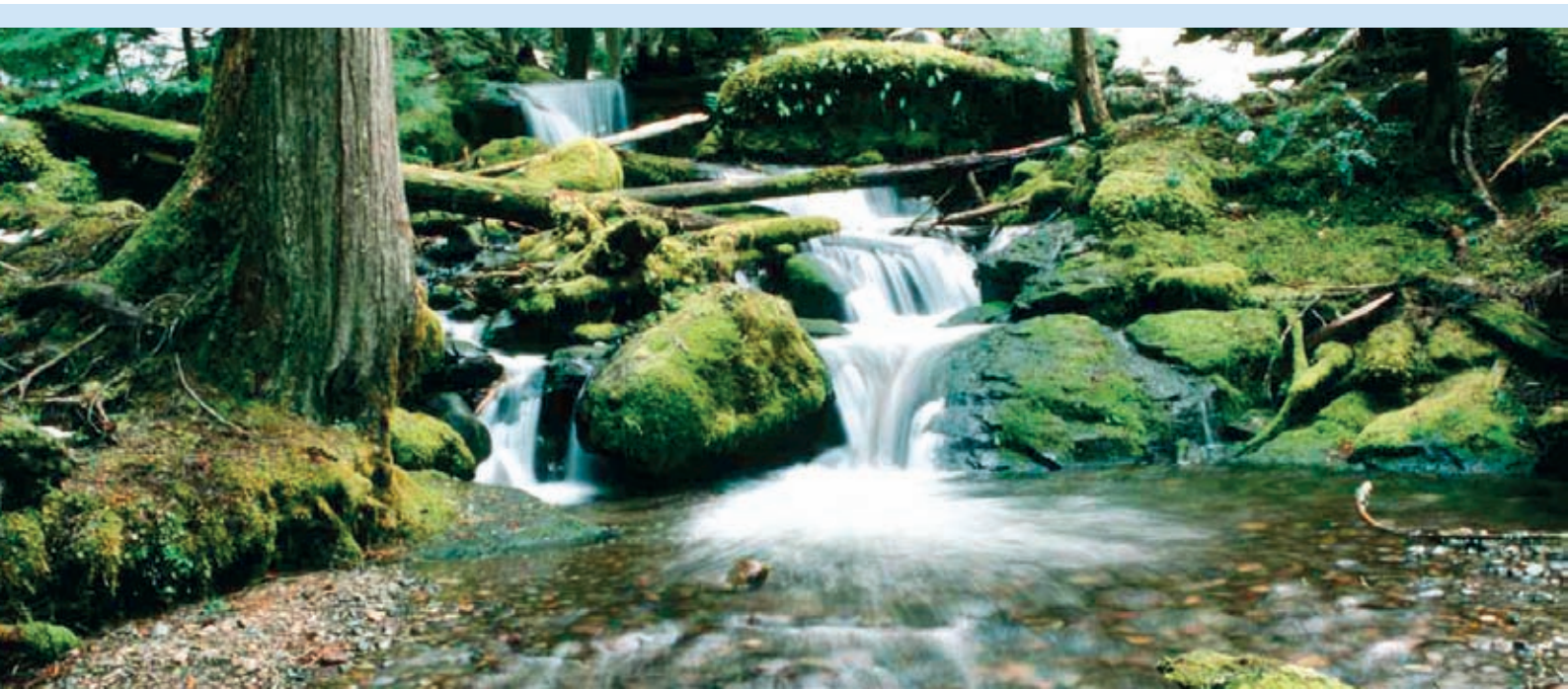
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Vision & Mission

Vision

“ To be a world class total environmental solution provider. ”



Mission

“ At PJBumi we are committed to upholding a proud tradition of being the country’s leading integrated provider of products and services relating to the efficient and effective management of our environment. In addition to our aim to provide continuous and outstanding cost effective services to our customers nationwide, we remain steadfast in our social responsibility to contribute back to the community in order to ensure the existence of a more caring and responsive society. “

Corporate Information

Board of Director

**Haji Zaid Bin
Haji Abdullah**

Non-Independent
Non-Executive Chairman

Encik Johar Bin Yusof
Group Managing Director
/Executive Director

**Ir. Haji Mohd Nor
@ Ghazali Bin Omar**
Independent Non-Executive
Director

**Hajjah Zaidah Binti
Mohd Salleh**
Alternate Director to
Haji Zaid Bin Haji Abdullah

Haji Taib Bin Hashim
Independent Non-Executive
Director

AUDIT COMMITTEE

Chairman

**Ir. Haji Mohd Nor
@ Ghazali Bin Omar**

Members

**Haji Zaid Bin Haji Abdullah
Haji Taib Bin Hashim**

NOMINATION COMMITTEE

Chairman

**Ir. Haji Mohd Nor
@ Ghazali Bin Omar**

Members

Haji Zaid Bin Haji Abdullah

REMUNERATION COMMITTEE

Chairman

Encik Johar Bin Yusof

Members

**Ir. Haji Mohd Nor
@ Ghazali Bin Omar**

COMPANY SECRETARIES

Lim Seck Wah
(MAICSA 0799845)

Hamsiah Binti Khalid
(MIA 13604)

REGISTERED OFFICE

Tingkat 5, Lot 10, Bangunan BKA
Jalan Astaka U8/84, Section U8
Bukit Jelutong, 40150 Shah Alam
Selangor Darul Ehsan
Tel : 03-7847 5740
Fax : 03-7847 4597

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd

(Company No.: 378993 D)
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya, Selangor
Tel : 03-7841 8000
Fax : 03-7841 8151

AUDITORS

Messrs Moore Stephens AC

Chartered Accountants
A-37-1, Level 37
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Code : PJBUMI
Stock Number : 7163

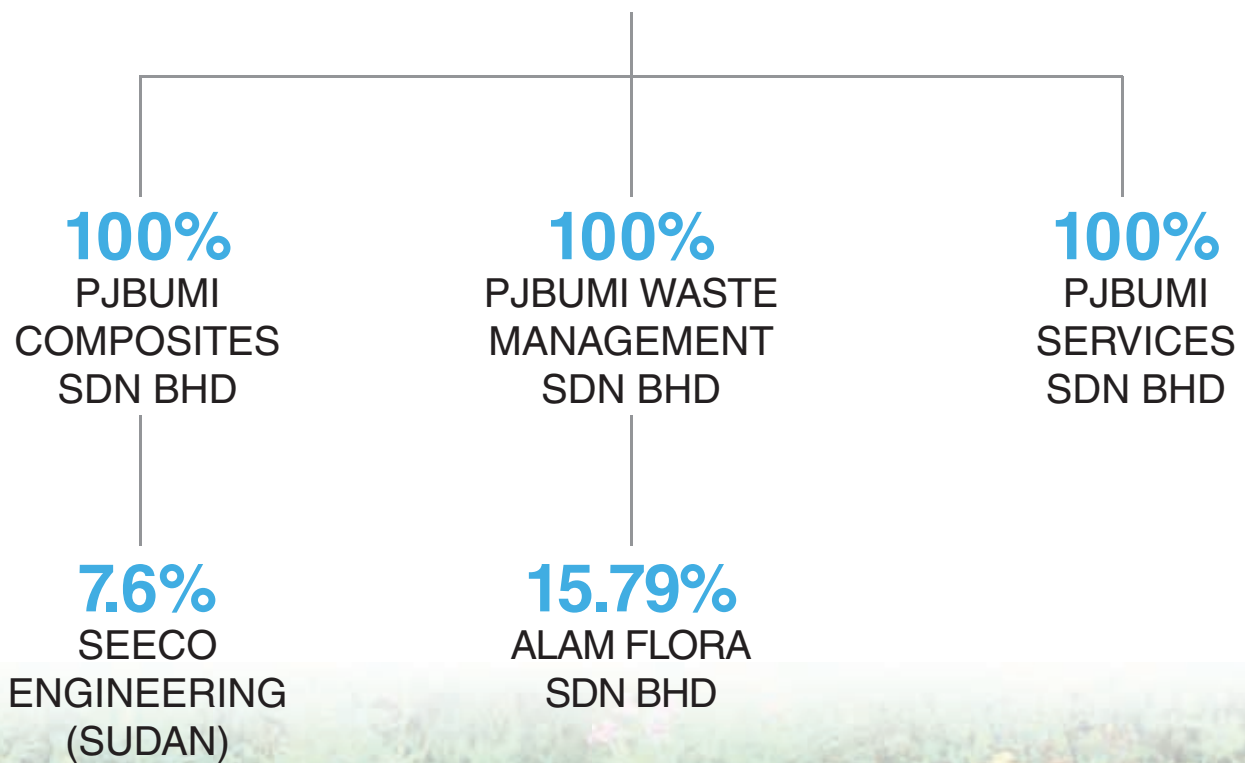
PRINCIPAL BANKERS

**Affin Bank Berhad (20546-T)
AmBank Berhad (8515-D)
RHB Bank Berhad (6171-M)
CIMB Bank Berhad (13491-P)**

Corporate Structure

PJBUMI BERHAD

(141537-M)



Director's Profile



HAJI ZAID BIN HAJI ABDULLAH

58, Malaysian

*Non-Independent Non-Executive Chairman
Member of the Nomination Committee
Member of the Audit Committee*



ENCIK JOHAR BIN YUSOF

44, Malaysian

*Group Managing Director,
Chairman of the Remuneration Committee*



IR. HAJI MOHD NOR @ GHAZALI BIN OMAR

60, Malaysian

*Independent Non-Executive Director
Chairman of the Audit Committee
Chairman of the Nomination Committee
Member of the Remuneration Committee*

Haji Zaid joined the Board on 27 February 2008. He graduated with a Bachelor of Economics (Accounting) and Advanced Diploma in Accounting from the University of Malaya and is a Chartered Accountant by profession. He was the Director of Finance in Shapadu Corporation from 1978 to 1982 and was then promoted to Group Executive Director of Shapadu Group of Companies, a position he upheld until he left in 1992 and develop Progressive Impact Corporation Group.

He is also the Group Managing Director and major shareholder of Progressive Impact Corporation Berhad. He has an indirect interest of 15,200,000 ordinary shares via Progressive Impact Corporation Berhad in PJBumi. He is the spouse of Hajjah Zaidah Binti Mohd Salleh. He has no conflict of interest with PJBumi and has no convictions of offences within the past ten (10) years except for the traffic offences.

He joined the Board on 26 March 2008 as Group Managing Director.

He holds Bachelor in Electrical Engineering from University of Miami, Florida, USA and Master in Business Administration (Finance) from International Islamic University of Malaysia. He has vast experience in oil & gas industry especially in project management and business development.

He does not hold any directorship in other public listed Company. He has no family relationship with other directors or major shareholders of PJBumi. He has no conflict of interest with PJBumi and has no convictions of offences within the past ten (10) years except for the traffic offences.

He joined the Board on 25 April 2008 as Independent Non-Executive Director. He graduated with Master Engineering (Water Use Management) from University of Roorkee, India and Bachelor of Science (Civil Engineering) (Hons) from University of Glasgow, Scotland. He has wide experience in hydraulics, hydrology and water resources engineering such as flood mitigation, storm water treatment, rural and agricultural drainage. He is also involved in the planning, implementation and operation of irrigation projects through his various capacities with departments of Irrigation & Drainage Malaysia.

He does not hold any directorship in other public listed Company. He has no family relationship with other directors or major shareholders of PJBumi. He has no conflict of interest with PJBumi and has no convictions of offences within the past ten (10) years except for the traffic offences.

Director's Profile (cont'd)



HAJI TAIB BIN HASHIM

59, Malaysian

*Independent Non-Executive Director
Member of the Audit Committee*

He joined the Board on 26 March 2009 as Independent Non-Executive Director. He graduated from the University of Technology of Malaysia, Institute of Business Administration, Australia and Lahore University of Management Sciences, Pakistan. He is a Mechanical Engineer by training, with expertise in Production Management and Control. Possess extensive experiences as a Plant Operation Manager in Multi National Food and Paper Industry as well as Consultant in the field of Warehousing & Logistic Management, particularly in the area of Modern Warehouse Management. Currently he is the Chief Executive Officer of Malaysian Environmental Resources Centre Sdn Bhd. Previous positions held include Group Supply Chain Development Manager with Nestle Products Sdn Bhd, Group Supply Chain Operation Manager, Production Manager of Nescafe Plant Malaysia, Production Manager of MILO Plant Malaysia, Team Leader of Nestle Globe ISIT (warehousing & logistic) Project and Head of Shop Floor BECA-BPCS at Nestle Malaysia. A Production Shop Floor System Trainer to Nestle Production Team and Lead person to Nestle Market Return Task Force 2003/2004.

He does not hold any directorship in other public listed Company. He has no family relationship with other directors or major shareholders of PJBumi. He has no conflict of interest with PJBumi and has no convictions of offences within the past ten (10) years except for the traffic offences.



HAJJAH ZAIDAH BINTI MOHD SALLEH

55, Malaysian

Alternate Director to Haji Zaid Bin Haji Abdullah

She joined the Board on 14 January 2009 as an Alternate Director to Haji Zaid Bin Haji Abdullah. She is not a member of any board committee. She is a Chartered Accountant graduated from the University of Malaya with Bachelor of Economics (Accounting) in 1977 and Advanced Diploma in Accounting 1978. She started her career in 1978 as an Accountant in Jabatan Telekom and was promoted to Financial Controller (G) in 1981. In 1984, she was entrusted to head the Regional Accounts Division as the Regional Accountant of Telekom Malaysia. In 1989, she was promoted to the position of Senior Accountant (Operations), a position she upheld until she left in 1993 to join Progressive Impact Corporation Berhad (PICORP). She was initially the Group Financial Controller who oversees all financial related matters in the Group of PICORP. She has been directly involved in obtaining the financial assistance from the relevant financial institutions, PUNB & PNS to facilitate the setting up of the Group and was promoted to be an Executive Director in year 2003.

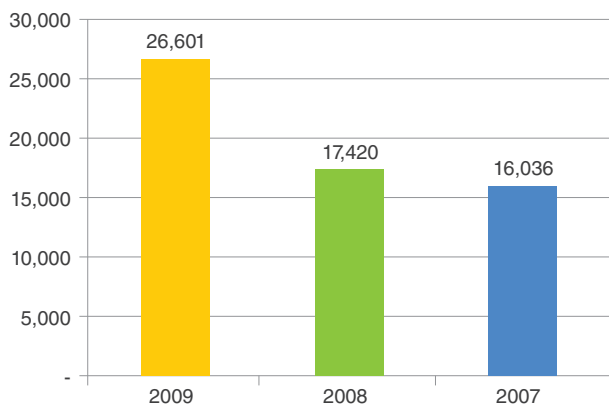
She is a Director of Progressive Impact Corporation Berhad and also has an indirect interest of 15,100,000 ordinary shares via Progressive Impact Corporation Berhad in PJBumi. She is the spouse of Haji Zaid Bin Haji Abdullah.

She has no conflict of interest with PJBumi and has no convictions of offences within the past ten (10) years except for the traffic offences.

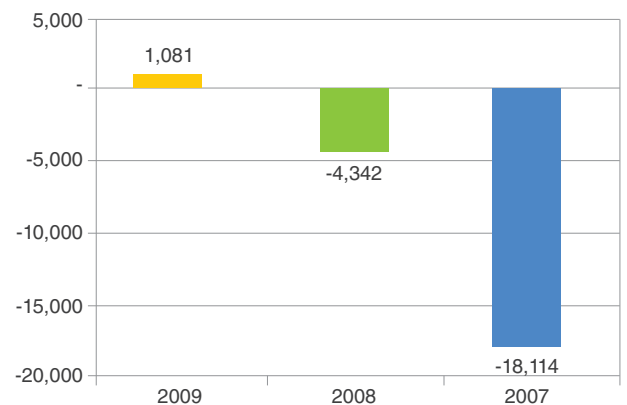
Financial Statistics (Group)

THREE YEARS FINANCIAL STATISTICS (GROUP)

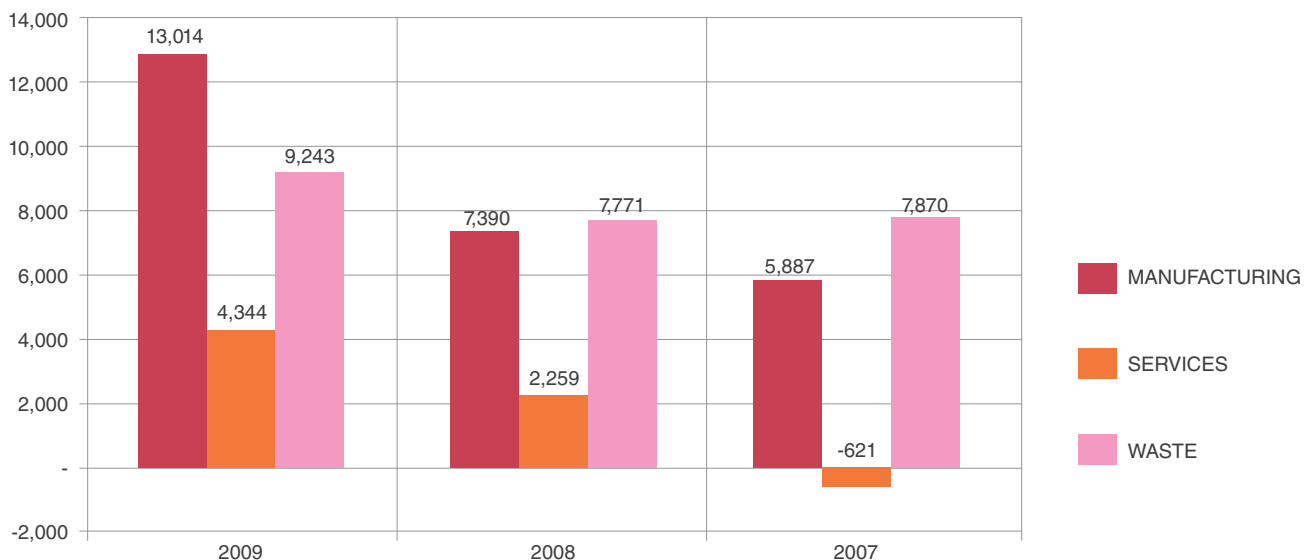
	2009	2008	2007
REVENUE (RM'000)	26,601	17,420	16,036
NET PROFIT/(LOSS) FOR THE YEAR (RM'000)	1,081	-4,342	-18,114
LIQUIDITY:			
Current Ratio	0.54	1.24	1.02
PROFITABILITY:			
Operating Expenses Ratio (%)	63	61	97
Operating Profit Margin (%)	4	-25	-112
Return On Capital Employed (%)	4	-18	-64
BASIC EARNINGS PER SHARE (sen)	2.16	-8.68	-36.22
NET ASSET PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (RM)	0.50	0.48	0.57
SHARE PRICES AS AT 31 DECEMBER (RM)	0.32	0.40	0.48
SEGMENTAL REVENUE (RM'000):			
Manufacturing	13,014	7,390	5,887
Construction, Maintenance & Design	4,344	2,259	-621
Waste Management Services	9,243	7,771	7,870



YEARLY PERFORMANCE OF GROUP 'S REVENUE (RM'000)



YEARLY PERFORMANCE OF GROUP 'S PROFITABILITY (RM'000)



SEGMENTAL REVENUE (RM'000)

Chairman's Statement



Dear Valued Shareholders,

“It is my great pleasure to present the Annual Report and Audited Financial Statement of PJBUMI Berhad at the Group and Company level for the financial year ended 31 December 2009.”

I am proud to announce that PJBUMI has returned to profitability for the financial year 2009. Despite of the financial crisis, intense competition and inherited legacy issues, PJBUMI team had successfully managed to break through the obstacles in order to achieve profitability for the first time since 2005. I would like to take this opportunity to congratulate the board of directors, management team and staff of PJBUMI for their commitment and contribution in achieving the good results.

FINANCIAL PERFORMANCE

In financial year 2009 (FY2009), PJBUMI Group's revenue increased 53% to RM26.60 million from RM17.42 million previously, primarily as a result of increasing demand and customers confidence of PJBUMI products and services. The favorable revenue growth was contributed from all sectors namely composite, waste management and services. It is important to note that most of our composite orders were secured from school expansion projects under the Ministry of Education and infrastructure projects from Ministry of Works. As for Waste Management sector, Alam Flora continues to be our most important business partner in solid waste management i.e. for area cleansing and collection business. Interestingly, we have also seen significant growth in Services Sector, especially from domestic waste services for hypermarkets, schools and higher institutions.

During the year under review, PJBUMI Group registered a net profit of RM1.08 million compare to RM4.34 million loss in 2008 and RM 18.11 million loss in 2007. The bottom line improvement was attributed mainly to the stringent cost cutting measures and effective project management. As part of its continuous effort to enhance financial stability, PJBUMI continues to actively engage in projects that generated good cash flow and positive margin. We exercise prudence in the selection and evaluation of projects in consideration of the current challenges in our business.

TRANSFORMATION

We have set our sights on growing our leadership and being among the best in Malaysia. This will be achieved through the strategic trust, namely the 7-Paradigm, to secure our position as the undisputed domestic leader by enhancing the quality of operations whilst looking for other growth opportunity, and becoming an execution-focused company. We have embarked on a Group wide performance improvement programme to help us achieve this and PJBUMI teams are committed to the various initiatives that we have been introduced to achieve our strategic aspirations and corporate vision. In addition, we look at best practice of companies from other industries where we can gauge our standing in areas such as marketing strategies, customers innovation, service and so on.

Chairman's Statement (cont'd)

FUTURE PLAN

Moving forward, it will be a journey of continuous improvement and value creation to ensure that we remain relevant to our stakeholders in every aspects of the business. Our future plans after this is to ensure that we continue to deliver on the expectation of all stakeholders, especially the customers who have given us the second chance in order to turnaround PJBUMI. Nevertheless, we expect a greater demand from our customers, especially when resolving environmental issues become urgent and important.

DIVIDENDS

Based on our financial performance and cash flow position hereby reported, the directors do not recommend any payment of dividends in respect of the financial year ended 31 December 2009.

CORPORATE SOCIAL RESPONSIBILITY

PJBUMI recognizes that its business has direct and indirect impact on communities as well as surrounding environment in which it operates. The Board and Management team require that all its practices give due consideration to the interest of the Group's stakeholder, ensuring all business objectives are pursued with integrity and full compliance with the law. Environment, staff welfare, youth and sports development and philanthropy remain key CSR platforms for the group moving forward.

CORPORATE GOVERNANCE AND INVESTOR RELATIONS

The Group remains committed to uphold and maintain its good corporate governance track record through timely objective reporting and constant communication with all its stakeholders.

ACKNOWLEDGEMENT

I would like to thank the management team and staff of PJBUMI for their dedication, commitment and professionalism. Having proven our capabilities in taking momentous events in our stride, I remain confidence that our team will continue to rise to the occasion.

We remain grateful to our shareholders, customers, supplier, business associates, bankers, analyst and other stakeholders for their confidence and contributions.

HAJI ZAID BIN HAJI ABDULLAH

Chairman

Group Managing Director's Review of Operation



What a year 2009 has been - much work has been done and we have hit the ground running. As an organization, PJBUMI is focusing on a transformation from a struggling organization to a leadership position with high discipline team, winning processes and best practices. Our Business Turnaround Strategy which was unveiled in 2008 and fully executed in 2009 has delivered some interesting results. Notwithstanding challenges arising from the global financial crisis and stiff competition, the Group has delivered strong revenue growth for the year. As a result, PJBUMI has returned to profitability after four-year consecutive losses. Additionally, solid operational improvement becomes a source of strength for the Group. We have put in place many initiatives targeted towards harnessing performance and synergies across the board.

OUR 7-PARADIGM STRATEGY – WHAT’S NEXT?

Our Business Turnaround Strategy was formulated base on 7 strategic thrust, namely 7-Paradigm. It was tailor-made for PJBUMI in order to transform its poor performance into exponential growth within 5-year duration. 7-Paradigm is encompassed of 1) Growth in Revenue, 2) Margin and Cost Improvement, 3) Prudent Cash Management, 4) Assets Disposal, 5) Debt Management, 6) Increase Organizational Velocity, and 7) Excellent Customers Management. We are grateful that the 7-Paradigm Strategy was implemented with undivided commitment and discipline from PJBUMI team and received solid support from our Board of Directors. Looking forward, the strategy is expected to be refined further to cater for future growth and new market scenario.

BUSINESS GROWTH

We recognize that there is a critical need to revitalize our Marketing programs in order to reach our valued customers. In 2009, we have organized series of road shows such as corporate presentation and participated in exhibitions such as Industrial Building Systems (IBS) Exhibition organized by CIDB and Malaysia Water Exhibition. In view of our past history, the road-shows were the best platform for PJBUMI to market our new identity and to rebuild our relationship with the customers.

Apart from the above, new product segmentation was also implemented based on market demand on sewerage treatment systems. Combined with our new pricing strategy, it had certainly made our offering more competitive and compelling to our customers.

In 2009, we have delivered product and services beyond our traditional offering. Other than the traditional Fiber Reinforce Plastics (FRP) Septic Tanks products, PJBUMI has enhanced our offering to our customers which include consultancy services such as Waste Water Characteristic Study (WWCS), effluent testing services, authority approval consultancy, condition appraisal, comprehensive maintenance program, refurbishment and upgrades of Sewerage Treatment Plant (STP), and most recently Pre-treatment (PTP) solution which was specially designed for our hypermarket customers.

DEBT AND CASH MANAGEMENT

In order to reduce overall debt levels and achieve an optimal capital structure, PJBUMI has also embarked on a debt restructuring programs with the related banks and creditors. This exercise is a proactive and prudent step by management, allaying investor concerns on gearing, setting a more solid foundation for future growth and towards increasing shareholder value. With our strengthened balance sheet, improvements in key processes and disciplines— in performance management, cost cutting measures, human capital, synergy, best practices, business planning, financial management and governance, we believe we are in a stronger position to perform and compete.

Group Managing Director's Review of Operation (cont'd)

HUMAN CAPITAL DEVELOPMENT

PJBUMI is committed to developing the full potential of one of our greatest assets – our people. At every step of the way we are continuously looking out for the people that make us proud of doing what we do. Our human capital development system is essentially a two-way relationship. We provide the opportunity for all our employees to develop to their highest potential and hold in high esteem, the contributions, hard work, knowledge and skills that our employees bring to the table. Though the ultimate goal of the development was to increase core competencies of our people, we put special emphasize on soft skills training such as motivational programs and teambuilding workshops. We believe that the team attitude towards winning, combine with high discipline in their work will produce results. We like to think of this synergy as a meeting of minds and take pride that we have successfully managed to establish a powerful, self motivated and independent thinking workforce that is both robust and competitive.

ENVIRONMENTAL ISSUES

As everyone is aware that environmental pollution problems are now of serious public concern.

In response to these problems, the Malaysian government is intent on making environmental laws and regulations more effective so as to give greater clout to its environmental programs. Malaysia is rolling out a series of environmental initiatives that are more advanced than in the past, such as the completion of a large-scale treatment facility for domestic wastes, in order to promote efforts to deal with domestic waste which has become a major environmental issue. The thrust of environmental administration is shifting from regulatory controls alone to instituting preventive environmental measures to forestall pollution.

PJBUMI are committed to participate in the environmental programs, with the objective to provide cleaner and greener environment.

FUTURE PROSPECT

2010 will be another challenging year. Though we are bullish with our business in 2010, the increased in competition and market volatility remain uncertain. Despite this there are significant opportunities. We expect growth to remain generally robust in this Environmental market. Customers' demand on new solutions to their environmental issues is expected to be high. Our promise in 2010, PJBUMI will introduce new solution to the market with advanced technology that will improve the existing treatment plant in Malaysia. Also, we will continue to focus on our sustainable long-term strategies by further strengthening our organization, and accelerate more improvements in key processes and disciplines.

APPRECIATION

The overall good performance was made possible due to concerted effort from many parties. We would like to acknowledge management team and staff of PJBUMI for their dedication and discipline, and to our valued shareholders, board of directors, customers, business associates, consultants, financiers and relevant authorities for their unwavering support and confidence as we progress forward in our quest for greater success.

JOHAR BIN YUSOF

Group Managing Director

Corporate Social Responsibility

The activities in 2009 mainly focused on integrating our CSR work and to promote and involve our people in the entire organization. This CSR Report offers an overview of the responsible business practice and social commitment which we hope in a long run will lift our brand value and recognition for our business and our society.

PJBumi CSR 2009 focus on people in the organization, not only should the organization be responsible to the public, the community and the environment of its operations, but it should also be responsible to its employees, to ensure that they are being inculcate with Islamic values, highly motivated, highly skilled and competent.

RESPONSIBILITY TO EMPLOYEES

1. Human Capital Development



Kursus Pencetus Perkasa Diri on 6 – 8 Feb 2009



Team Building Nur Bukit Unggul on 1 August 2009



2009 PICORP Group of Companies Hari Raya Open House on 2 October 2009



Corporate Social Responsibility (cont'd)

2. Safety at the Workplace

PJBumi Berhad has established a Safety, Health and Workplace policy to ensure safety working environment and zero accident in work place. In ensuring the policy been adhered to a committee has been set-up. In line with company policy and objective, PJBumi's employees who are required to enter various hazardous / high risk facilities have attended the relevant safety training ie. TNB Niosh.



Safety at sites with 'Personal Protection Equipment'-'PPE'

RESPONSIBILITY TO THE COMMUNITY

The PJBumi recognizes that its businesses have direct and indirect impact on the communities in which we operate. Find out how PJBumi is contributing towards being a positive global citizen.



Management and Industrial training programme for post and under graduate



Environmental awareness road show

Corporate Social Responsibility (cont'd)

RESPONSIBILITY TO THE ENVIRONMENT

Employees of each group company receive environmental training and other self development programs to help raise employee awareness on the environment.



Gotong royong activities at Shah Alam community

Calendar of Events

JANUARY – DECEMBER

In 2009 we have done 50 road shows attended by more than 1,500 participants locally and internationally comprise of government and corporate sectors such as Jabatan Kerja Raya (JKR), Government Hospital, Jabatan Perdana Menteri, Ministry of Health, Ministry of Rural Development, Ministry of Education, International and local Consultants, developers, Hypermarkets, etc.

The objective of the road show is to market the group capabilities, introduce the products and the 'new brand PJ Bumi'.



Calendar of Events

JANUARY

Malaysia IBS International Exhibition on 21 – 23 January 2009 organized by CIDB. This exhibition was attended by the local and international IBS manufacturer, distributor and organization.

This exhibition also as a platform for PJBumi to discuss on technical, financial and business network for the contractor, consultant and manufacturer, developer and government agencies.

We are given the opportunity to demonstrate our technology and products. This exhibition was officiated by Deputy Prime Minister Y.B Dato' Seri Najib Bin Tun Razak.



An annually Sales training & review conducted at our factory in Sungai Petani. This meeting was attended by business development team throughout Malaysia.

The objective of the meeting is to brainstorm on the current year business opportunities, the company realise target and the business strategy to achieve the set target.



MAY

PJ Bumi has participated in Water Malaysia 2009 exhibition which was held on 19 – 21 May 2009 at Putra World Trade Centre (PWTC)

This exhibition was officiated by Green Technology and Water Minister Datuk Peter Chin Fah Kui.

The objective of the exhibition is to bring clean and high quality water at affordable price to the consumers.



Calendar of Events

MAY

Family outing at Sungai Congkak, Hulu Langat, Selangor. This gathering is to build the good relationship between PJBumi families as one of our core values as "Family orientation organization". Among the activities held were 'Sukaneka' and barbeques.



JULY

Fruit Festival held at PJBumi office. This is part of our contribution in promoting and supporting our local fruits besides gathering our people to be together. Among the fruits served such as our king fruit 'Durians', rambutans, mangoosteens and dokongs.



NOVEMBER

A yearly brainstorming session was conducted on 13-14 November 2009 at Pantai Indah Seaview Resort, Kuala Selangor. The session was attended by key staffs to get more ideas on the new business opportunities, operation improvements, customer satisfaction and Human resources Development for the 2010 strategies and implementations.



Statement of Corporate Governance

INTRODUCTION

The Board of Directors ("the Board") recognizes the importance of Corporate Governance in conducting the day to day business and affairs of the Group. Thus at all times practice of good corporate governance is the main priority in safeguarding and enhancing the shareholders' value and protecting the interest of other stakeholders.

In line with the Listing Requirement of Bursa Malaysia Securities Berhad, the Board wishes to report on the manner the Group has maintained the standard of corporate governance by supporting and implementing the prescriptions of the principles and best practices set out in the Malaysian Code of Corporate Governance ("the Code").

BOARD OF DIRECTORS

1. Duties of Board of Directors

The Group is headed by an effective Board which leads and controls the activities of the Group. The Board provides strategic direction for the Group and regularly meets to review corporate and operational strategies as well as to ensure that the necessary financial and other resources are made available to the management to enable them to meet the Group's objectives.

2. Board Meetings

The Board meets at least four (4) times a year, with additional meetings convened as necessary. During the financial year under review, the Board meets five (5) times. The composition of the Board and individual Director's attendance of meetings during the financial year ended 31 December 2009 were as follows:-

		*Meetings Attended (Out of seven (5) held)
Haji Zaid Bin Haji Abdullah	Non-Independent Non-Executive Chairman	5/5
Encik Johar Bin Yusof	Group Managing Director	5/5
Ir.Haji Mohd Nor @ Ghazali Bin Omar	Independent Non-Executive Director	4/5
Hajjah Zaidah Binti Mohd Salleh	Alternate Director to Haji Zaid Bin Haji Abdullah	-
Haji Taib Bin Hashim <i>Appointed w.e.f. 26.03.2009</i>	Independent Non-Executive Director	4/4
Hassan Bin Hussain <i>Resigned w.e.f. 30/12/2009</i>	Non-Independent Non-Executive Director	5/5
Ir. Haji Ponimin Bin Tayat <i>Resigned w.e.f. 27/01/2010</i>	Independent Non-Executive Director	3/4

*Meetings were held on 18/02/2009, 24/04/2009, 27/05/2009, 07/08/2009, 11/11/2009.

3. Supply of Information

The Board members are updated on the Company's activities and its operations on a regular basis. All Directors have access to all information of the Company on a timely basis in an appropriate form and quality necessary to enable them to discharge their duties and responsibilities. All Directors have access to the advice and services of the Company Secretaries and to obtain independent professional advice, whenever necessary, at the expense of the Company.

Statement of Corporate Governance (cont'd)

4. Board Composition

The Board is currently has five (5) members comprising of one (1) Non-Independent Non-Executive Chairman, one (1) Non-Independent Non-Executive Director (Alternate Director), one (1) Managing Director and two (2) Independent Non-Executive Directors.

The Board's composition fully complies with the Listing Requirements of Bursa Malaysia Securities Berhad. The presence of Independent Non-Executive Directors provides impartial views and advice to ensure that minority shareholders' interests are adequately represented. Their deliberation will take into account the long term interest of the shareholders, employees, customers and the communities in which the Group conducts its business.

There is also clear segregation of roles and responsibilities between the Chairman and the Group Managing Director to ensure balance of power and authority exist.

The background of each Director is provided on pages 5 to 6 of this Annual Report.

5. Appointment to the Board

The Nomination Committee has been established by the Board comprising exclusively Non-Executive Directors, a majority of whom are Independent as follows:-

- i. Ir. Haji Mohd Nor @ Ghazali Bin Omar (Chairman)
- ii. Haji Zaid Bin Haji Abdullah

The Nomination Committee is primarily responsible for recommending suitable appointments to the Board taking into consideration the Board structure, size, composition and the required mix of expertise and experience, which the Director should bring to the Board. It assesses the effectiveness of the Board as a whole as well as the performance of each Director.

The Board is entitled to the services of the Company Secretary who would ensure that all appointments are properly made upon obtaining the necessary information from the Directors.

During the financial year, the Nomination Committee has not conducted any meetings.

6. Re-election

In accordance with the provisions of the Articles of Association of the Company, one-third (1/3) of the Directors for the time being, or if their number is not a multiple of three (3), then the number nearest to one-third (1/3) with a minimum of one (1), shall retire from office and election of Directors shall take place provided always that each Director shall retire from office at least once in every three (3) years but shall be eligible for re-election. Directors over seventy (70) years of age are subject for re-appointment annual in accordance with Section 129(6) of the Companies Act, 1965.

7. Directors' training

The Board has completed its Mandatory Accreditation Programme. There has been greater awareness of the importance and benefits of attending and participating in the training and continuing education programme. The Board is committed to equip themselves in discharging their duties and responsibilities and shall continue to attend relevant seminars, conferences and other training programme deemed appropriate for the Directors.

Statement of Corporate Governance (cont'd)

8. Directors' Remuneration

In compliance with the Listing Requirements of Bursa Securities, the Board has established a Remuneration Committee. The Committee's primary responsibility is to recommend to the Board the remuneration of Directors. However, the final decision on remuneration for Directors is a matter for the Board as a whole and the respective director involved is required to abstain from discussion of his/her own remuneration.

The members of the Remuneration Committee are as follows:-

- i. Encik Johar Bin Yusof (Chairman)
- ii. Ir. Haji Mohd Nor @ Ghazali Bin Omar

The aggregate Directors' remuneration for the financial year ended 31 December 2009 are set out below:-

	Remuneration (RM)
Executive Directors	303,000
Non-Executive Directors	2,500

The remuneration paid to the Directors, analysed in the following bands, is as below:-

Range of Remuneration (RM)	Executive	Non-Executive
50,000 and below		5
300,000 – 350,000	1	

SHAREHOLDERS

1. Dialogue with Investors

The Board recognizes the values of the dialogue with investors and shareholders and the importance of accountability to them. As such, the Board is disseminating proper, timely and adequate information to the investors and shareholders through annual report, announcements, circulars to shareholders and press release.

2. General Meetings

The Company's Annual General Meeting ("AGM") serves as a principal forum for dialogue with shareholders. Shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions. Extraordinary General Meeting is held as and when required.

ACCOUNTABILITY AND AUDIT

1. Financial Reporting

The Directors are responsible to present a true and fair assessment of the Group's position and prospects in the annual reports and quarterly reports. The quarterly financial results were reviewed by the Audit Committee and approved by the Board of Directors prior to submission to Bursa Malaysia Securities Berhad.

A statement by the Directors of their responsibilities in the preparation of financial statements is set out in the ensuing section.

Statement of Corporate Governance (cont'd)

2. Statement of Directors' Responsibility for Preparing Financial Statements

The Board is responsible to ensure that the financial statements are properly drawn up in accordance with the provisions of the Companies Act 1965 and approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group as at the end of the financial year and of the results and cash flows of the Group for the financial year then ended. The matter will be further enhanced in the forthcoming year.

During the financial year's part of the Company's continuing disclosure obligations under the Listing Requirements of Bursa Malaysia Securities Berhad, the Board ensures that timely and accurate financial information relating to the Group's and Company's quarterly financial results are announced to Bursa Malaysia Securities Berhad. The shareholders and investors are therefore kept abreast of the Company's and the Group's performance throughout the financial year.

The Directors are responsible for ensuring that the Group keeps sufficient accounting records to disclose with reasonable accuracy, the financial position of the Group and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

3. Internal Control

The Directors are mindful of their responsibilities in relation to the maintenance of a sound system of internal controls which provides reasonable assessment and review of the Company's effectiveness to safeguard shareholders' investment and Group's assets. The Board is continuously reviewing the adequacy and integrity of its system of internal controls.

Further details of the state of the system of internal control of the Group are presented on pages 25 to 26 of this Annual Report.

4. Relationship with the Auditors

The Board has established a formal and transparent arrangement for maintaining appropriate relationships with the external auditors in seeking professional advice and ensuring the compliance with the appropriate accounting standards. The Audit Committee met with the external auditors to discuss their audit plan, audit findings and the financial statements.

COMPLIANCE STATEMENT

The Company is committed in achieving high standards of corporate governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings. The Board considers that the Company has complied with the principles and best practices as set out in parts 1 and 2 respectively of the Code.

Audit Committee Report

The Audit Committee was formed to assist the Board of Directors in fulfilling its fiduciary responsibilities relating to internal controls, financial and accounting records as well as financial reporting practices of the Company and its subsidiaries.

1. COMPOSITION

The present Committee comprises of two (2) Independent Non-Executive and one (1) Non-Independent Non-Executive members of the Board. The composition of the Committee complies with the requirements of Paragraph 15.10 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")

The present members of the Committee and their respective designations are as follows:-

Name of Committee Member	Designation
Ir. Haji Mohd Nor @ Ghazali Bin Omar (Chairman)	Independent Non- Executive Director
Haji Zaid Bin Haji Abdullah	Non-Independent Non-Executive Director
Haji Taib Bin Hashim	Independent Non-Executive Director

2. MEETINGS AND ATTENDANCE

The Audit Committee held five (5) meetings during the financial year under review. The details of attendance of each member are as follows:-

Committee Members	Number of Meetings Attended
Ir. Haji Mohd Nor @ Ghazali Bin Omar	4/5
Haji Zaid Bin Haji Abdullah Appointed w.e.f 27.04.2009	3/3
Haji Taib Bin Hashim Appointed w.e.f 27.04.2009	3/3
Encik Kamil Bin Datuk Abdul Rahman Resigned w.e.f. 27.04.2009	2/2
Mr Edwin Silvester Das Resigned w.e.f 27.04.2009	2/2

Meetings held on 17/02/2009, 24/04/2009, 27/05/2009, 07/08/2009, 11/11/2009.

3. TERMS OF REFERENCE OF THE AUDIT COMMITTEE

1. Membership

- 1.1 The Committee shall be appointed by the Board amongst the Directors of the Company and shall consist of not fewer than three (3) members.

Audit Committee Report (cont'd)

- 1.2 The majority of the members including the Chairman of the Committee shall be independent and all Committee must be non-executive as defined in Chapter 15 of the Listing Requirements of Bursa Malaysia Securities Berhad.
- 1.3 The Committee shall include at least one (1) person:-
 - (a) who is a member of the Malaysian Institute of Accountants; or
 - (b) who must have at least three (3) years' working experience and:-
 - (i) have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967; or
 - (ii) is a member of one of the associations specified in Part II of the 1st Schedule of the Accountant Act, 1967
- 1.4. No alternate director shall be appointed to the Committee
- 1.5. Should the membership of the Committee be reduced below the minimum three (3), the Board shall as soon as possible and within three (3) months appoint such number of new members as may be required to make up the minimum of three (3) members
- 1.6. A member to the Committee ceases to be a member upon ceasing to be a member of the Board.

2. Meetings

- 2.1 The quorum of a Committee Meeting shall be at least two (2) members; the majority present must be Independent Directors
- 2.2 The Committee shall meet at least four (4) times a year and any such additional meetings as the Chairman shall decide.
- 2.3 Notwithstanding paragraph 2.2 above, upon the request of any member of the Committee, the Board, the Group Managing Director, the Internal and External Auditors, the Chairman shall convene a meeting of the Committee to consider matters brought to its attention.
- 2.4 In the absence of the Chairman, the Committee shall appoint one of the Independent Non-Executive Members present to be the Chairman of that meeting.
- 2.5 The Committee may invite the external auditors, the chief financial officer, any other Directors or members of the management and employees of the Group to be in attendance during meetings to assists in its deliberations.
- 2.6 The Internal Auditors shall be in attendance at all meetings to present and discuss the audit reports and other related matters as well as the recommendations relating thereto and to follow up on all relevant decisions made.
- 2.7 At least once a year, the Committee shall meet with the external auditors without any executive Board member present and upon the request of the external auditors, the Chairman of the Committee shall convene a meeting to consider any matter which the external auditors believe should be brought to the attention of the Board of shareholders.
- 2.8 The Company Secretary shall be the Secretary of the Committee

Audit Committee Report (cont'd)

3. Rights and Authority

3.1 The Committee is authorised to:-

- a. Investigate any matter within its terms of reference
- b. Have adequate resources required to perform its duties
- c. Have full and unrestricted access to information, records and documents relevant to its activities
- d. Have direct communication channels with the External and Internal Auditors
- e. Engage, consult and obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise it considers necessary.
- f. Able to convene meetings with external auditors or internal auditors or both, excluding the attendance of the other Directors and employees, whenever deemed necessary.

4. Functions and Duties

4.1 To review the following and report to the Board:-

- a. With the External Auditors:-
 - i. the audit plan and audit report and the extent of assistance rendered by employees of the Company
 - ii. their evaluation of the systems of internal controls
 - iii. the audit fee and on matters concerning their suitability for nomination, appointment and re-appointment and underlying reasons for resignation or dismissal as Auditors
 - iv. the management letter and management's response
 - v. issues arising from audits.
- b. With the Internal Auditors
 - i. the adequacy and relevance of the scope, functions and resources of Internal Audit and the necessary authority to carry out its duties
 - ii. the audit plan and work programme and results of internal audit processes including recommendations and actions taken
 - iii. the extent of cooperation and assistance rendered by employees of the Company
 - iv. the appraisal of the performance of the internal audit including any matter concerning their appointment and termination
- c. The quarterly results and year end financial statements prior to the approval by the Board, focusing particularly on:-
 - i. changes and implementation of major accounting policies and practices
 - ii. significant and unusual issues
 - iii. going concern issues
 - iv. compliance with accounting standards, regulatory and other legal requirements
- d. The major findings of investigations and management's response
- e. The propriety of any related party transaction and conflict of interest situation that may arise within the Company including any transaction, procedure or course of conduct that raises question on management integrity

Audit Committee Report (cont'd)

- 4.2 To report any breaches of the Listing Requirements that has not been satisfactorily resolved to Bursa Malaysia
- 4.3 To prepare the Audit Committee Report for inclusion in the Company's Annual Report which covers:-
 - i. the composition of the Audit Committee
 - ii. the terms of reference of the Audit Committee
 - iii. the number of meetings held and details of attendance of each members
 - iv. a summary of the activities of the Audit Committee in the discharge of its functions and duties
 - v. a summary of the activities of the internal audit function.
- 4.4 The above functions and duties are in addition to such functions as may be agreed to from time to time by the Audit Committee and the Board.

4. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The summary of activities of the Audit Committee in discharge of its duties and responsibilities during the financial period under review include the following:-

- a. Reviewed the Terms of Reference of the Committee for recommendation to the Board of Directors.
- b. Reviewed the audit activities (comprising risk management, control and governance evaluations) carried out and the audit reports to ensure corrective actions were taken in addressing the risk issues reported.
- c. Reviewed with the External Auditors the audit plan of the Company and the Group for the year (inclusive of audit approach, system evaluation, audit fees, issues raised and management responses) prior to the commencement of the annual audit.
- d. Reviewed the financial statements, the audit report, issues and reservations arising from statutory audit with the External Auditors.
- e. Reviewed and recommended for the Board's approval the re-appointment of External Auditors.
- f. Review and recommended for the Board's approval the audit fees for the financial year ended 31 December 2009.
- g. Reviewed the unaudited quarterly results and financial statements with management for recommendation to the Board of Directors for approval and release to Bursa Malaysia Securities Berhad.
- h. Reported to the Board on significant issues and concerns discussed during the Audit Committee's meetings together with applicable recommendations. Minutes of meetings were made available to all Board Members.
- i. Reviewed and approved the Audit Committee Report for inclusion in the Company's Annual Report.
- j. Reviewed the disclosure statements on compliance of the Malaysian Code of Corporate Governance and the Statement on Internal Controls for inclusion in the Company's Annual Report.

During the financial year it has through the Enterprise Risk Management framework ensure that the key business risks identified by the Group are being managed and the management action plans are being implemented by the organisation. Total cost incurred to carry out the internal audit function on the financial year is approximately RM32,000.

Statement on Internal Control

INTRODUCTION

The Board of Directors (“the Board”) of PJBumi Berhad is pleased to comment on the state of Internal Control of the Group for the year ended 31 December 2009 in line with the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

RESPONSIBILITY

The Board recognises the importance of sound systems of internal control and effective risk management practices to good corporate governance. A sound system of internal controls will help to safeguard the Group’s assets and shareholders’ investments. The Board affirms its overall responsibility for maintaining sound systems of internal control within the Group covering financial, operational, compliance and risk management issues, and for reviewing regularly the adequacy and integrity of such systems. The Board, in the discharge of its stewardship responsibilities, is committed to identify key risks to which companies within the Group are exposed and will introduce appropriate systems progressively to manage such risks.

Notwithstanding that, there are, however, limitations inherent in any system of internal control, and such system is designed to manage rather than eliminate the risk of failure to achieve business objectives. It should be appreciated that it could therefore only provide reasonable and not absolute assurance against material misstatement of management or financial information or financial losses or frauds. It should be further noted that the cost of control procedures should not exceed the benefits to be derived from such procedures.

KEY ELEMENTS OF INTERNAL CONTROL

Some of the key control procedures have been embedded in the operations of the business with sufficient assurance mechanism to safeguard the assets of the Group and to preserve shareholders’ investments. The following key elements ensure that proper control regime is maintained:

Audit Committee

The Audit Committee reviews the quarterly results of the Group and recommends adoption of such results to the Board before announcement to Bursa Securities is made.

Internal Audit Function

The Board recognises that the Internal Audit function is an integral part of an effective internal control system and risk management framework.

Business Risks and Assurance Department (“the BRAD”) from Progressive Impact Corporation Berhad, was appointed to perform the internal audit activities which include independent review of the various systems of internal control in the key activities within the Group. Since their appointment, BRAD has reported their findings to Audit Committee on a quarterly basis.

Risk Management

The Board is committed to identify business and other risks that are inherent in the sector the Group operates and to ensure the implementation of appropriate control mechanism to manage these risks.

There is on going process in identifying, evaluating and managing the significant risk faced by the Group and this process is reviewed by Board.

Statement on Internal Control (cont'd)

Other Key Elements of Internal Control

- Quarterly review of Group financial results by the Board and the Audit Committee before announcement to Bursa Securities.
- An organizational structure with defined lines of responsibilities and delegation of authority within which the management operates.

WEAKNESS IN INTERNAL CONTROLS THAT RESULTS IN MATERIAL LOSSES

There were no material or significant losses incurred during the current financial year as a result of weakness in internal control. The Board and Management continue to take appropriate measures to improve and strengthen the control environment.

Additional Compliance Statement

1. UTILISATION OF PROCEEDS FROM CORPORATE EXERCISE

PJBumi did not raise any funds nor conduct any corporate exercise during the financial year under review.

2. SHARE BUY-BACKS

PJBumi has not purchase any of its own shares during the financial year under review.

3. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

There were no options, warrants or convertible securities exercised in respect of the financial year.

4. AMERICAN DEPOSITORY RECEIPT (“ADR”) /GLOBAL DEPOSITORY RECEIPT (“GDR”)

PJBumi did not sponsor and ADR or GDR programmes during the financial year.

5. IMPOSITION OF SANCTIONS / PENALTIES

There were no public impositions of sanctions or penalties imposed on the Company and its subsidiaries, directors or management by the regulatory bodies during the financial year.

6. NON-AUDIT FEES

The amount of non-audit fees incurred for services rendered to the Company and its subsidiaries during the financial year ended 31 December 2009 by Messrs Moore Stephens AC was RM27,000. (For limited review on the Quarterly Results)

7. PROFIT ESTIMATE, FORECAST AND PROJECTIONS

The Company did not announce any profit estimate, forecast or projections during the financial year under review.

8. VARIANCE IN RESULTS

There is no significant variance between the profit after tax for the financial statement ended 31 December 2009 and the unaudited results previously announced.

9. PROFIT GUARANTEE

The Company did not give any form of profit guarantee to any parties during the financial year under review.

10. MATERIAL CONTRACTS AND CONTRACTS RELATING TO LOANS

There were no contracts relating to loan and material contracts of the Company and its subsidiaries involving the Directors and substantial shareholders since the end of the previous financial year.

11. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE AND TRADING NATURE

There is no Recurrent Related Party Transactions entered during the financial year.

12. REVALUATION POLICY ON LANDED PROPERTIES

The Group's revaluation policies on landed properties held by the Group are disclosed in note 1(e) (ii) to the financial statements.

Notice of Twenty-Fifth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth Annual General Meeting (“AGM”) of the Company will be held at 2nd Floor, Lot No. 19, Jalan Astaka U8/84, Bukit Jelutong Business & Technology Centre, Section U8, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 25th May 2010 at 10.00 a.m. for the following purposes:-

AGENDA		
1.	To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2009 together with the Reports of the Directors and Auditors thereon.	(Please refer to Note A)
2.	To re-elect Encik Johar Bin Yusof who retire in accordance with the provision in the Company's Articles of Association, and being eligible, offers himself for re-election:-	(Resolution 1)
3.	To re-appoint Messrs Moore Stephens AC as Auditors of the Company and to authorize the Board of Directors to fix their remuneration.	(Resolution 2)
4.	<p>AS SPECIAL BUSINESS</p> <p>To consider, and if thought fit, to pass the following Resolution:-</p> <p>ORDINARY RESOLUTION</p> <p>AUTHORITY TO ISSUE SHARES BY THE COMPANY PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965</p> <p>“THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten (10) per cent of the issued share capital of the Company for the time being AND THAT the Directors be and are also hereby empowered to obtain the approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.</p> <p>AND THAT the Directors be and are also hereby empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued.</p> <p>AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company.”</p>	(Resolution 3)
5.	To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.	

By Order of the Board

LIM SECK WAH (MAICSA NO. 0799845)

HAMSI AH BINTI KHALID (MIA 13604)

Company Secretaries

Selangor

Dated: 30th April 2010

Notice of Twenty-Fifth Annual General Meeting (cont'd)

Notes:-

- A. This Agenda item is meant for discussion only as the provision in the Company's Articles of Association do not require a formal approval of shareholders and hence, is not put forward for voting.
1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies and that a proxy need not also be a Member.
2. When a member appoints two or more proxies the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if such the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
4. The instrument appointing a proxy must be deposited at the Registered Office at Tingkat 5, Lot 10, Bangunan BKA, Jalan Astaka U8/84, Section U8, Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

5. Explanatory note on Special Business:-

Ordinary Resolution 3

The proposed Resolution 3 is primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion and for such purposes as they consider would be in the interest of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the issue of new shares, the Directors, under certain circumstance when the opportunity arises, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the issue capital.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be empowered to issue shares in the Company, up to any amount not exceeding in total 10% of the issued share capital of the Company for the time being, for such purposes. The renewed authority for allotment of shares will provide flexibility to the Company for the allotment of shares for the purpose of funding future investment, working capital and/or acquisitions. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next Annual General Meeting of the Company.

No shares have been issue and allotted by the Company since obtaining the said authority from its shareholders at the last Annual General Meeting held on 27 May 2009.

Statement Accompanying Notice of Annual General Meeting

DIRECTORS STANDING FOR RE-ELECTION

Details of the Directors who are standing for re-election at this Annual General Meeting, as required under Appendix 8A of the Listing Requirements of Bursa Malaysia Securities Berhad, can be found under the Profile of the Board of Directors on pages 05 and 06 of this Annual Report.



Financial Statements

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Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company are provision of management services and investment holding whilst the principal activities of the subsidiaries are stated in Note 10 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit/(Loss) for the year	1,081	(5,387)

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year and the Directors do not recommend any dividend payment for the current financial year.

RESERVES AND PROVISIONS

There was no material transfer to or from reserves or provisions during the financial year other than those shown in the financial statements.

BAD AND DOUBTFUL DEBTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and have satisfied themselves that all known bad debts had been written off and adequate provision for doubtful debts was made.

At the date of this report, the Directors are not aware of any circumstances which would render the amount written off as bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group or of the Company which has arisen since the end of the financial year.

No contingent or other liability of any companies within the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

In the opinion of the Directors:

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

ISSUE OF SHARES

During the financial year, no new issue of shares was made by the Company.

DIRECTORS OF THE COMPANY

The Directors in office since the date of the last report are:-

HAJI ZAID BIN HAJI ABDULLAH
 Ir. HAJI MOHD NOR @ GHAZALI BIN OMAR
 JOHAR BIN YUSOF

HAJI TAIB BIN HASHIM

Ir. HAJI PONIMIN BIN TAYAT

HAJJAH ZAIDAH BINTI MOHD SALLEH

(Alternate to HAJI ZAID BIN HAJI ABDULLAH)

HASSAN BIN HUSSAIN

KAMIL BIN DATUK HAJI ABDUL RAHMAN

EDWIN SILVESTER DAS

(Resigned on 27 January 2010)

(Resigned on 29 December 2009)

(Resigned on 27 April 2009)

(Resigned on 27 April 2009)

Directors' Report (cont'd)

DIRECTORS' INTERESTS

The Director in office at the end of the financial year who has an interest in the ordinary shares of the Company is as follows:

	Number of Ordinary Shares of RM1.00 each			
	At 1.1.2009	Bought	Sold	At 31.12.2009
Deemed interest:				
Haji Zaid bin Haji Abdullah *	15,100,000	-	-	15,100,000

* Deemed interest by virtue of his substantial shareholdings in Progressive Impact Corporation Berhad, a corporate shareholder of PJBumi Berhad.

By virtue of his interest in the shares of the Company, the above-mentioned Director is also deemed interested in the shares of the subsidiaries during the financial year to the extent that PJBumi Berhad has an interest.

The other Directors holding office at end of the financial year had no interest in the ordinary shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in Note 5 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits or deemed benefits which may arise from transactions entered into in the ordinary course of business as disclosed in Note 23 to the financial statements.

There were no arrangements during and at the end of the financial year, which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

AUDITORS

The auditors, Messrs. Moore Stephens AC, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 13 April 2010.

HAJI ZAID BIN HAJI ABDULLAH

JOHAR BIN YUSOF

Statement by Directors

pursuant to Section 169(15) of the Companies Act, 1965

We, the undersigned, being two of the Directors of the Company, do hereby state that in the opinion of the Directors, the accompanying financial statements as set out on pages 8 to 59, are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2009 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 13 April 2010.

HAJI ZAID BIN HAJI ABDULLAH

JOHAR BIN YUSOF

Statutory Declaration

pursuant to Section 169(16) of the Companies Act, 1965

I, Hamsiah binti Khalid, being the officer primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 37 to 77, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at
Kuala Lumpur in the Federal Territory
on 13 April 2010

HAMSAH BINTI KHALID

Before me

ZULKIFLA MOHD DAHLIM (W541)
Commissioner for Oaths

Independent Auditors' Report

to the members of PJBumi Berhad
(Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of PJBumi Berhad, which comprise the balance sheets as at 31 December 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 37 to 77.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2009 and of their financial performance and cash flows for the year then ended.

Independent Auditors' Report (cont'd)

to the members of PJBumi Berhad
(Incorporated in Malaysia)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (c) Our audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

MOORE STEPHENS AC

Chartered Accountants
AF 001826

Kuala Lumpur
13 April 2010

CHONG KWONG CHIN

707/04/10 (J/PH)
Partner

Income Statements

for the year ended 31 December 2009

		Group		Company	
	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Continuing operations					
Revenue	3	26,601	17,420	2,655	1,742
Cost of sales	3	(16,093)	(12,270)	-	-
Gross profit		10,508	5,150	2,655	1,742
Other income		11,119	5,155	5,290	9,746
Selling and distribution expenses		(237)	(174)	-	-
Administrative expenses		(6,464)	(5,993)	(2,260)	(2,593)
Other operating expenses		(10,040)	(4,579)	(9,766)	(6,143)
Profit/(Loss) from operations		4,886	(441)	(4,081)	2,752
Finance costs		(2,670)	(2,500)	(1,306)	(1,581)
Profit/(Loss) before tax	4	2,216	(2,941)	(5,387)	1,171
Tax expense	6	(1,135)	(526)	-	-
Profit/(Loss) from continuing operations		1,081	(3,467)	(5,387)	1,171
Discontinued operation					
Loss from discontinued operation	24	-	(875)	-	-
Profit/(Loss) for the year		1,081	(4,342)	(5,387)	1,171
Basic earnings/(loss) per share attributable to shareholders of the Company (sen):					
Earnings/(Loss) from continuing operation	7	2.16	(6.93)		
Loss from discontinued operation	7	-	(1.75)		
Earnings/(Loss) per share	7	2.16	(8.68)		

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Balance Sheets

as at 31 December 2009

		Group		Company	
	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Assets					
Property, plant and equipment	8	18,253	25,604	396	7,152
Intangible assets	9	-	604	-	-
Investment in subsidiaries	10	-	-	29,999	29,999
Other investments	11	37,272	1,330	-	-
Total non-current assets		55,525	27,538	30,395	37,151
Properties held for sale	12	12,861	8,986	12,861	8,986
Receivables, deposits and prepayments	13	7,587	4,359	182	2,680
Inventories	14	1,733	1,478	-	-
Current tax assets		299	158	-	-
Cash and bank balances		1,233	1,061	159	360
Non-current assets classified as held for sale	24	-	35,942	-	-
Total current assets		23,713	51,984	13,202	12,026
Total assets		79,238	79,522	43,597	49,177
Equity					
Share capital	15	50,000	50,000	50,000	50,000
Reserves	15	5,473	5,473	3,473	3,473
Accumulated losses		(30,398)	(31,479)	(32,939)	(27,552)
Total equity		25,075	23,994	20,534	25,921
Liabilities					
Loans and borrowings	16	10,069	12,313	1,730	2,846
Payables and accruals	17	227	1,285	227	1,285
Total non-current liabilities		10,296	13,598	1,957	4,131
Provision	18	-	-	2,516	2,825
Payables and accruals	17	27,517	25,113	8,120	4,606
Loans and borrowings	16	2,281	1,244	1,131	851
Current tax liabilities		7,923	7,923	3,193	3,193
Liabilities directly associated with properties classified as held for sale	12	6,146	7,650	6,146	7,650
Total current liabilities		43,867	41,930	21,106	19,125
Total liabilities		54,163	55,528	23,063	23,256
Total equity and liabilities		79,238	79,522	43,597	49,177

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Consolidated and Company Statement of Changes in Equity

for the year ended 31 December 2009

	Attributable to shareholders of the Company				Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Accumulated losses RM'000	
Group					
At 1 January 2008	50,000	3,473	2,000	(27,137)	28,336
Loss for the year	-	-	-	(4,342)	(4,342)
At 31 December 2008 / 1 January 2009	50,000	3,473	2,000	(31,479)	23,994
Profit for the year	-	-	-	1,081	1,081
At 31 December 2009	50,000	3,473	2,000	(30,398)	25,075
Company					
At 1 January 2008	50,000	3,473	-	(28,723)	24,750
Profit for the year	-	-	-	1,171	1,171
At 31 December 2008 / 1 January 2009	50,000	3,473	-	(27,552)	25,921
Loss for the year	-	-	-	(5,387)	(5,387)
At 31 December 2009	50,000	3,473	-	(32,939)	20,534

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Cash Flow Statements

for the year ended 31 December 2009

		Group		Company	
	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash flows from operating activities					
Profit/(Loss) before tax					
- Continuing operations		2,216	(2,941)	(5,387)	1,171
- Discontinued operation		-	(875)	-	-
Adjustments for :					
Allowance for doubtful debts		352	1,971	1,326	2,609
Allowance for doubtful debts no longer required		(5,367)	(1,652)	(4,760)	(1,652)
Amortisation of intangible assets		101	101	-	-
Bad debts written off		5,186	37	4,601	963
Depreciation of property, plant and equipment		887	922	221	235
Deposits written off		-	27	-	27
Dividend income		(5,110)	(2,105)	-	-
Financial obligation to a licensed bank		-	2,215	-	2,215
Gain on disposal of property, plant and equipment		-	(143)	-	(133)
Gain on disposal of properties held for sale		(83)	(1,008)	(83)	(1,008)
Property, plant and equipment written off		-	52	-	-
Impairment loss on properties held for sale		778	49	778	49
Intangible assets written off		503	-	-	-
Interest expense		2,670	2,580	1,306	1,581
Interest income		(5)	(9)	-	-
(Loss)/gain on disposal of investment in a subsidiary		-	345	-	(4,715)
Provision for corporate guarantee		-	-	-	205
Reversal of provision for corporate guarantee		-	-	(309)	(2,025)
Unrealised (gain)/loss on foreign exchange		(9)	42	-	-
Staff advances written off		-	29	-	29
Operating profit/(loss) before changes in working capital					
		2,119	(363)	(2,307)	(449)
Inventories		(256)	(488)	-	-
Receivables, deposits and prepayments		(3,549)	1,695	2	263
Payables and accruals		(308)	(2,679)	1,803	(1,603)
Cash used in operations					
		(1,994)	(1,835)	(502)	(1,789)
Tax refunded		1	-	-	-
Net cash used in operating activities					
		(1,993)	(1,835)	(502)	(1,789)

Cash Flow Statements (cont'd)

for the year ended 31 December 2009

		Group		Company	
	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash flows from investing activities					
Disposal of subsidiary, net of cash		-	7,988	-	6,000
Subscription of shares in investment classified as held for sale		-	(6,000)	-	-
Acquisition of property, plant and equipment		(123)	(51)	(52)	(46)
Dividends received		3,833	1,579	-	-
Interest received		5	9	-	-
Net repayments from/(advances to) subsidiaries		-	-	1,329	(2,167)
Proceeds from disposal of properties held for sale		2,017	3,068	2,017	3,068
Proceeds from disposal of property, plant and equipment		-	176	-	155
Withdrawal of fixed deposit		-	3	-	-
Net cash from investing activities		5,732	6,772	3,294	7,010
Cash flows from financing activities					
Net advances from a subsidiary		-	-	653	-
Net advances from a director		1,110	3,256	-	-
Payments of finance lease		(35)	(98)	(35)	(78)
Drawdown of loans and borrowings		-	244	-	-
Repayments of loans and borrowings		(2,877)	(216)	(2,506)	(216)
Interest paid		(1,966)	(1,977)	(1,306)	(1,581)
Net cash (used in)/from financing activities		(3,768)	1,209	(3,194)	(1,875)
Net (decrease)/increase in cash and cash equivalents		(29)	6,146	(402)	3,346
Cash and cash equivalents at 1 January		(1,560)	(7,706)	(2,261)	(5,607)
Cash and cash equivalents at 31 December		(1,589)	(1,560)	(2,663)	(2,261)

Cash and cash equivalents

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash and bank balances		1,233	1,061	159	360
Bank overdrafts associated with properties classified as held for sale	12	(2,822)	(2,621)	(2,822)	(2,621)
		(1,589)	(1,560)	(2,663)	(2,261)

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Notes to the Financial Statements

31 December 2009

PJBumi Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The address of its registered office and principal place of business is as follows:

Tingkat 5, Lot 10,
Bangunan BKA,
Jalan Astaka U8/84,
Section U8, Bukit Jelutong,
40150 Shah Alam,
Selangor Darul Ehsan.

The Company is principally engaged in the provision of management services and investment holding, whilst the principal activities of the subsidiaries are as stated in Note 10. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were approved by the Board of Directors on 13 April 2010.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRSs") issued by the Malaysian Accounting Standards Board ("MASB") and complied with the provisions of the Companies Act, 1965.

The MASB has issued the following new and revised FRSs, Amendments to FRSs, Issues Committee ("IC") Interpretations and Technical Releases ("TR") that are not yet effective and have not been early adopted in preparing these financial statements :

		For financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations	1 July 2010
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters (Amendment to FRS 1)		1 January 2011
Improving Disclosures about Financial Instruments (Amendments to FRS 7)		1 January 2011
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate		1 January 2010
Amendments to FRS 2 Share-based Payment : Vesting Conditions and Cancellations		1 January 2010
Amendments to FRS 2 Share-based Payment		1 July 2010
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations		1 July 2010
Amendments to FRS 132 Financial Instruments: Presentation		1 January 2010 and 1 March 2010
Amendments to FRS 138 Intangible Assets		1 July 2010
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives		1 January 2010

Notes to the Financial Statements (cont'd)

31 December 2009

1. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (cont'd)

		For financial periods beginning on or after
Amendments to FRSs contained in the document entitled "Improvement to FRSs (2009)"		1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010
TR i-3	Presentation of Financial Statements of Islamic Financial Institutions	1 January 2010

By virtue of the exemption in FRS 4, 7 and 139, the impact of applying the respective FRSs on these financial statements upon their first adoption as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed.

The adoption of the other FRSs, Amendments to FRSs, IC Interpretations and TR are not expected to have any significant impact on the financial statements of the Group and of the Company upon their initial application, except for FRS 8 and FRS 101 as indicated below.

FRS 8 Operating Segments

FRS 108 requires entities to disclose segment information based on the information reviewed by the entity's chief operating decision maker. The impact of this standard on the other segment disclosures is still to be determined. As this is a disclosure standard, it will have no impact on the financial position or financial results of the Group when implemented in 2010.

FRS 101 Presentation of Financial Statements

The revised FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: It presents all items of income and expense recognised in income statements, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is currently evaluating the format to adopt. New terminologies will replace 'balance sheet' with 'statement of financial position' and 'cash flow statement' with 'statement of cash flows'.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for those as disclosed in the accounting policy notes.

(c) Functional and presentation currency

The management has determined the currency of the primary economic environment in which each entity in the Group operates i.e. functional currency, to be Ringgit Malaysia ("RM"). The financial statements are presented in RM, which is also the Company's functional currency. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

Notes to the Financial Statements (cont'd)

31 December 2009

1. BASIS OF PREPARATION (CONT'D)

(d) Significant accounting estimates and judgements

The preparation of financial statements requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgement in applying accounting principles that have significant effect on the amount recognised in the financial statements are described in the following notes:

- (i) Going concern – The management's use of the going concern assumption in the preparation of the financial statements of the Group and of the Company is determined given the positive outlook of the environmental industry and the ability of the Group to achieve profitable results and generate positive cash flows to meet their obligations toward the bankers and creditors. The management will continue with the plans in growing the Group's revenue through expansion of market share and new products offering, profit margin enhancement through cost reduction, disposal of non-revenue generating properties and obtaining the support of the bankers and creditors. Subsequent events may result in outcomes that are inconsistent with the management's judgement on going concern that was reasonable at the time it was made.
- (ii) Test of impairment of assets (Note 8, 9, 10 and 11) – the measurement of the recoverable amount of cash generating unit ("CGU") is determined based on the estimation of the present value of the future cash flows generated by the CGU which involves uncertainties and on assumptions used and judgement made regarding estimates of future cash flows and discount rate.
- (iii) Depreciation of property, plant and equipment (Note 8) – property, plant and equipment are depreciated on a straight line basis over the assets' useful lives. Management estimates the useful lives of these property, plant and equipments to be within 5 to 50 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets resulting in revision of future depreciation charges.
- (iv) Allowance for doubtful debts (Note 13) – allowance for doubtful debts is made based on assessment, which involve management's judgement, on the recoverability of receivables. Provisions are made to receivables where events or circumstances indicate that the carrying amounts may not be recoverable. The actual level of receivables collected may differ from the estimated levels of recovery, which could impact the operating profit positively or negatively.
- (v) Provision for corporate guarantee (Note 18) – the Company has recognised the corporate guarantee given to a bank for banking facilities granted to its subsidiary based on the probability that an outflow of resources will be required.
- (iv) Deferred tax assets (Note 19) – deferred tax assets are recognised for deductible temporary differences in respect of expenses to the extent that is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the future financial performance of the Company and its subsidiaries.

Notes to the Financial Statements (cont'd)

31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities (including unincorporated entities) controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the existence and effect of potential voting rights that currently are exercisable are taken into account.

Investments in subsidiaries are stated in the Company's balance sheet at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

The financial statements of subsidiaries acquired or disposed off during the financial year are included in the consolidated financial statements based on the purchase method from the effective date of acquisition or up to the effective date of disposal respectively. The assets, liabilities and contingent liabilities assumed of the acquired subsidiary are measured at their fair values at the date of acquisition and these values are reflected in the consolidated balance sheet.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities assumed represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in the income statement.

Minority interests are the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of changes in equity, separately from equity attributable to the equity shareholders of the Company. Minority interests presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated with such profits until the minority's share of losses previously absorbed by the Group has been recovered.

(ii) Changes in group composition

Where a subsidiary issues new equity shares to minority interest for cash consideration and the issue price has been established at fair value, the reduction in the Group's interests in the subsidiary is accounted for as a disposal of equity interest with the corresponding gain or loss recognised in the income statement.

When a group purchases a subsidiary's equity shares from minority interest for cash consideration and the purchase price has been established at fair value, the accretion of the Group's interest in the subsidiary is accounted for as a purchase of equity interest for which the acquisition accounting method of accounting is applied.

The Group treats all other changes in group composition as equity transactions between the Group and its minority shareholders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

Notes to the Financial Statements (cont'd)

31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

(iii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expense arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

Foreign currency transactions

Transactions in currencies other than the entity's functional currency ("foreign currencies") are translated into the respective functional currencies of the Group at exchange rates prevailing at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currencies at the exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at the fair value are retranslated to the functional currencies at the exchange rate prevailing at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the income statements. Non-monetary items that are measured at the historical cost in a foreign currency are not retranslated.

(c) Property, plant and equipment

(i) Recognition and measurement

Item of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in the income statement.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statements as incurred.

(iii) Depreciation

Depreciation is recognised in the income statements on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Freehold land is not depreciated.

Notes to the Financial Statements (cont'd)

31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Property, plant and equipment (cont'd)

(iii) Depreciation (cont'd)

The estimated useful lives for the current and comparative periods are as follows:

Buildings	50 years
Furniture, fittings, computer, equipment and machinery	5 - 10 years
Motor vehicles	5 years

The depreciable amount is determined after deducting the residual value.

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(d) Leased assets

Lease in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance lease. Upon initial recognition, the leased asset is measured at amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

(e) Intangible assets

(i) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statements as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development.

The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statements as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

(ii) Other intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses, if any.

Expenditure on internally generated goodwill and brands is recognised in the income statements as an expense as incurred.

(iii) Amortisation

Amortisation is charged to the income statements on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with indefinite useful lives are tested for impairment annually and whenever there is an indication that they may be impaired. Other intangible assets are amortised from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:-

Capitalised development costs	10 years
Licensed purchased	10 years

Notes to the Financial Statements (cont'd)

31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work-in-progress and finished goods, costs include an appropriate share of production overheads based on normal operating capacity. Net realisable value is estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(g) Non-currents assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable FRSs. Then, on initial classification as held for sale, non-current assets are measured in accordance with FRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in the income statements.

(h) Impairment of non-financial assets

The carrying amounts of assets except for financial assets (other than investment in subsidiaries) and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then, the asset's recoverable amount is estimated.

Any impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flow that largely are independent from other assets and groups. Impairment losses are recognised in the income statements. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (groups of units) on a pro-rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to the income statements in the year in which the reversals are recognised.

(i) Employee benefits

Short term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related services is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group's contribution to the Employees Provident Fund are charged to the income statements in the year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

Notes to the Financial Statements (cont'd)

31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(k) Revenue

(i) Goods sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(ii) Services

Revenue from service rendered is recognised in the income statements in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed.

(iii) Dividend income

Dividend income is recognised when the right to receive payment is established.

(iv) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(l) Lease payments

Payments made under operating leases are recognised in the income statements on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(m) Borrowing costs

All borrowings costs are recognised in the income statements using the effective interest method, in the period in which they are incurred except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use.

The capitalisation of borrowings costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Notes to the Financial Statements (cont'd)

31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Tax expense

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statements except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or tax loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(o) Segment reporting

A segment is distinguishable component of the Group that is engaged either in providing products services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

(p) Financial instruments

Financial instruments are classified as assets, liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, losses and gains relating to financial instruments classified as assets or liabilities are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Company has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The recognised financial instruments comprise other non-current investments, cash and cash equivalents, trade and other receivables, trade and other payables, bank borrowings and ordinary shares. These instruments are recognised in the financial statements when a contract or contractual arrangement has been entered into with the counter-parties.

The unrecognised financial instruments comprise financial guarantee given to financial institution and third parties for banking and credit facilities granted to the subsidiaries. The financial guarantees would be recognised as liabilities when obligations to pay the counter-parties are assessed as being probable.

(i) Other non-current investments

Investments in non-current equity securities other than investments in subsidiaries are recognised initially at fair value plus attributable transaction costs.

Subsequent to initial recognition, investments in non-current equity securities, are stated at cost less allowance for diminution in value.

Where in the opinion of the Directors, there is a decline other than temporary in the value of non-current equity securities, the allowance for diminution in value is recognised as an expense in the financial year in which the decline is identified.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

Notes to the Financial Statements (cont'd)

31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Financial instruments (cont'd)

(ii) Receivables

Receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established.

Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts.

(iii) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purposes of the cash flow statements, cash and cash equivalents are presented net of bank overdrafts.

(iv) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(v) Loans and borrowings

Loans and borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over period of the loans and borrowings using the effective interest method.

(vi) Payables

Payables are measured initially and subsequently at cost. Payables are recognised when there is a contractual obligation to deliver cash or financial assets to another entity.

3. REVENUE AND COST OF SALES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue				
Sales of goods	11,367	7,390	-	-
Services rendered	15,234	10,030	-	-
Management fees	-	-	2,655	1,742
	26,601	17,420	2,655	1,742
Cost of sales				
Cost of goods sold	5,550	5,497	-	-
Cost of services	10,543	6,773	-	-
	16,093	12,270	-	-

Notes to the Financial Statements (cont'd)

31 December 2009

4. PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax is arrived at after charging:				
Allowance for doubtful debts				
- subsidiaries	-	-	1,174	2,067
- third parties	352	1,971	152	542
Amortisation of intangible assets	101	101	-	-
Auditors' remuneration				
- Audit services	100	100	45	45
- Other services by auditors of the Company	32	5	32	5
Bad debts written off				
- subsidiaries	-	-	-	927
- third parties	5,186	37	4,601	36
Deposits written off	-	27	-	27
Depreciation of property, plant and equipment	887	912	221	235
Financial obligation to a licensed bank [^]	-	2,215	-	2,215
Impairment loss on properties held for sale	778	49	778	49
Intangible assets written off	503	-	-	-
Interest expense	2,670	2,500	1,306	1,581
Personnel expenses (including key management personnel):				
- Contribution to Employees Provident Fund	445	428	126	157
- Wages, salaries and others	4,186	3,409	1,123	1,023
Property, plant and equipment written off	-	52	-	-
Provision for corporate guarantee	-	-	-	205
Rental expense:				
- motor vehicles	29	25	-	4
- office equipment	34	93	27	87
- office premises	157	114	133	82
Staff advances written off	-	29	-	29
Unrealised loss on foreign exchange	-	42	-	-
And after crediting:				
Allowance for doubtful debts no longer required	5,367	1,652	4,760	1,652
Bad debts recovered	130	-	-	-
Gross dividend income from:				
- unquoted shares in Malaysia	5,110	2,105	-	-
Gain on disposal of investment in a subsidiary	-	-	-	4,715
Gain on disposal of property, plant and equipment	-	143	-	133
Gain on disposal of properties held for sale	83	1,008	83	1,008
Interest income	5	9	-	-
Realised gain of foreign exchange	1	-	-	-
Rental income	51	143	51	137
Reversal of provision for corporate guarantee	-	-	309	2,025
Unrealised gain on foreign exchange	9	-	-	-

[^] In respect of an obligation to settle the banking facilities taken by a former subsidiary, PJBumi Engineering Sdn. Bhd. pursuant to the formal arrangement entered into with the purchaser of the former subsidiary.

Notes to the Financial Statements (cont'd)

31 December 2009

5. KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Directors of the Company				
- Other emoluments	303	225	303	225
Total short-term employee benefits	303	225	303	225
Post-employment benefits	36	25	36	25
	339	250	339	250

The estimated monetary value of benefits-in-kind received and receivable by a Director of the Company from the Group and the Company amounted to RM3,000 (2008 : RM3,000).

6. TAX EXPENSE

Recognised in the income statement

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Continuing operations				
Current tax expense				
Malaysian - current year	1,114	526	-	-
- prior year	21	-	-	-
Tax expense	1,135	526	-	-

Reconciliation of effective tax expense

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Profit/(Loss) before tax from:				
Continuing operations	2,216	(2,941)	(5,387)	1,171
Discontinued operations	-	(875)	-	-
	2,216	(3,816)	(5,387)	1,171

Notes to the Financial Statements (cont'd)

31 December 2009

6. TAX EXPENSE (CONT'D)

Reconciliation of effective tax expense (cont'd)

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Tax calculated using Malaysian tax rate of 25% (2008 : 26%)	554	(992)	(1,379)	304
Effect of change in tax rate *	-	23	-	7
Non-deductible expenses	3,035	1,519	2,886	1,430
Non-taxable income	(1,288)	(602)	(1,288)	(1,917)
Deferred tax assets not recognised during the year	18	578	-	176
Recognition of deferred tax assets previously not recognised	(219)	-	(219)	-
Utilisation of capital allowances and tax losses previously not recognised	(986)	-	-	-
Under provision of current tax expense in prior years	21	-	-	-
Tax expense	1,135	526	-	-

* With effect from year of assessment 2009, the corporate income tax rate is 25%. Consequently, deferred tax assets and liabilities are measured using this tax rate.

During the financial year, the Group and the Company utilised their capital allowances and tax losses brought-forwards to set off against their chargeable income resulting in a tax saving of approximately RM1,289,000 (2008: RM nil) and RM236,000 (2008: RM nil) respectively.

The Company has estimated tax loss carry-forwards of RM3,231,000 (2008: RM3,775,000) and capital allowance carry-forwards of RM nil (2008: RM401,000), available for set-off against future taxable profits.

The Group has estimated tax loss carry-forwards of RM26,047,000 (2008: RM27,621,000) and capital allowance carry-forwards of RM470,000 (2008: RM3,464,000), available for set-off against future taxable profits.

7. BASIC EARNINGS/(LOSS) PER ORDINARY SHARE

The calculation of basic earnings/(loss) per ordinary share is based on the net profit/(loss) attributable to ordinary shareholders divided by the number of ordinary shares outstanding during the financial year.

	Group	
	2009	2008
	RM'000	RM'000
Profit/(Loss) from continuing operations attributable to ordinary shareholders of the Company	1,081	(3,467)
Loss from discontinued operation attributable to ordinary shareholders of the Company	-	(875)
Profit/(Loss) attributable to ordinary shareholders of the Company	1,081	(4,342)
Number of ordinary shares in issue ('000)	50,000	50,000

Notes to the Financial Statements (cont'd)

31 December 2009

7. BASIC EARNINGS/(LOSS) PER ORDINARY SHARE (CONT'D)

Basic earnings/(loss) per share for:

	2009 (sen)	2008 (sen)
Earnings/(Loss) from continuing operations	2.16	(6.93)
Loss from discontinued operation	-	(1.75)
Earnings/(Loss) per share	2.16	(8.68)

8. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Buildings RM'000	Furniture, fittings, computers, equipment and machinery RM'000	Motor vehicles RM'000	Total RM'000
Group					
Cost					
At 1 January 2008	8,487	17,359	7,740	4,320	37,906
Additions	-	-	51	-	51
Disposals	-	-	-	(865)	(865)
Written off	-	-	(65)	(248)	(313)
At 31 December 2008 / 1 January 2009	8,487	17,359	7,726	3,207	36,779
Additions	-	-	123	-	123
Written off	-	-	-	(1,650)	(1,650)
Reclassified as properties held for sale (Note 12)	(2,420)	(4,962)	-	-	(7,382)
At 31 December 2009	6,067	12,397	7,849	1,557	27,870
Accumulated depreciation and impairment loss					
At 1 January 2008					
- Accumulated depreciation	-	1,640	4,713	4,179	10,532
- Accumulated impairment loss	825	-	-	-	825
Depreciation for the year	-	347	513	52	912
Disposals	-	-	-	(833)	(833)
Written off	-	-	(13)	(248)	(261)
At 31 December 2008 / 1 January 2009					
- Accumulated depreciation	-	1,987	5,213	3,150	10,350
- Accumulated impairment loss	825	-	-	-	825
Depreciation for the year	-	347	506	34	887
Written off	-	-	-	(1,650)	(1,650)
Reclassified as properties held for sale (Note 12)	(219)	(576)	-	-	(795)
At 31 December 2009					
- Accumulated depreciation	-	1,758	5,719	1,534	9,011
- Accumulated impairment loss	606	-	-	-	606

Notes to the Financial Statements (cont'd)

31 December 2009

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM'000	Buildings RM'000	Furniture, fittings, computers, equipment and machinery RM'000	Motor vehicles RM'000	Total RM'000
Group					
Net carrying amount					
At 1 January 2008	7,662	15,719	3,027	141	26,549
At 31 December 2008 / 1 January 2009	7,662	15,372	2,513	57	25,604
At 31 December 2009	5,461	10,639	2,130	23	18,253
Company					
Cost					
At 1 January 2008	2,420	4,962	1,963	3,555	12,900
Additions	-	-	46	-	46
Written off	-	-	(4)	-	(4)
Disposals	-	-	-	(792)	(792)
At 31 December 2008 / 1 January 2009	2,420	4,962	2,005	2,763	12,150
Additions	-	-	52	-	52
Written off	-	-	-	(1,650)	(1,650)
Reclassified as properties held for sale (Note 12)	(2,420)	(4,962)	-	-	(7,382)
At 31 December 2009	-	-	2,057	1,113	3,170
Accumulated depreciation and impairment loss					
At 1 January 2008					
- Accumulated depreciation	-	378	1,485	3,455	5,318
- Accumulated impairment loss	219	-	-	-	219
Depreciation for the year	-	99	105	31	235
Written off	-	-	(4)	-	(4)
Disposals	-	-	-	(770)	(770)

Notes to the Financial Statements (cont'd)

31 December 2009

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM'000	Buildings RM'000	Furniture, fittings, computers, equipment and machinery RM'000	Motor vehicles RM'000	Total RM'000
Company					
At 31 December 2008 / 1 January 2009					
- Accumulated depreciation	-	477	1,586	2,716	4,779
- Accumulated impairment loss	219	-	-	-	219
Depreciation for the year	-	99	92	30	221
Written off	-	-	-	(1,650)	(1,650)
Reclassified as properties held for sale (Note 12)	(219)	(576)	-	-	(795)
At 31 December 2009					
- Accumulated depreciation	-	-	1,678	1,096	2,774
- Accumulated impairment loss	-	-	-	-	-
Net carrying amount					
At 1 January 2008	2,201	4,584	478	100	7,363
At 31 December 2008 / 1 January 2009	2,201	4,485	419	47	7,152
At 31 December 2009	-	-	379	17	396

Assets under finance lease

The net carrying amount of property, plant and equipment acquired under hire purchase arrangement is as follows:

	Group/Company	
	2009 RM'000	2008 RM'000
Motor vehicles	17	47

Security

The net carrying amount of freehold land and buildings pledged as security for borrowings (Note 16) is as follows:-

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Freehold land	5,461	7,662	-	2,201
Buildings	10,639	15,372	-	4,485
	16,100	23,034	-	6,686

Notes to the Financial Statements (cont'd)

31 December 2009

9. INTANGIBLE ASSETS

	Development costs RM'000	Licence purchased RM'000	Total RM'000
Group			
Cost			
At 1 January 2008 / 31 December 2008 / 1 January 2009	1,006	3,827	4,833
Written off	(1,006)	(3,827)	(4,833)
At 31 December 2009	-	-	-
Accumulated amortisation			
At 1 January 2008	301	3,827	4,128
Amortisation for the year	101	-	101
At 31 December 2008 / 1 January 2009	402	3,827	4,229
Amortisation for the year	101	-	101
Written off	(503)	(3,827)	(4,330)
At 31 December 2009	-	-	-
Net carrying amount			
At 1 January 2008	705	-	705
At 31 December 2008 / 1 January 2009	604	-	604
At 31 December 2009	-	-	-
		Licence purchased RM'000	
Company			
Cost			
At 1 January 2008 / 31 December 2008 / 1 January 2009		3,827	
Written off		(3,827)	
31 December 2009		-	
Accumulated amortisation			
At 1 January 2008 / 31 December 2008 / 1 January 2009		3,827	
Written off		(3,827)	
31 December 2009		-	
Net carrying amount			
At 1 January 2008 / 31 December 2008 / 31 December 2009		-	

Notes to the Financial Statements (cont'd)

31 December 2009

10. INVESTMENT IN SUBSIDIARIES

	Company	
	2009 RM'000	2008 RM'000
Unquoted shares, at cost	33,500	33,500
Less: Accumulated impairment loss	(3,501)	(3,501)
	29,999	29,999

Details of the subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of Incorporation	Effective equity interest	
			2009 %	2008 %
PJBumi Composites Sdn. Bhd.	Manufacture and sale of Fibre Reinforced Plastic ("FRP") Sewerage treatment plants, underground storage tanks and other FRP products	Malaysia	100	100
PJBumi Waste Management Sdn. Bhd. #	Investment holding, solid waste management, garbage collection, area cleaning and other related activities	Malaysia	100	100
PJBumi Services Sdn. Bhd.	After-sales support services including connecting works of FRP tanks and mechanical and electrical equipment, providing maintenance, upgrading and/or rectification works, desludging works and sludge treatment	Malaysia	100	100

The unquoted shares are pledged as security via a memorandum of deposit for advances from a director as mentioned in Note 17.4

11. OTHER INVESTMENTS

		Group	
	Note	2009 RM'000	2008 RM'000
Unquoted shares, at cost			
- in Malaysia	11.1	35,942	-
- outside Malaysia	11.2	1,330	1,330
		37,272	1,330

Note 11.1

The unquoted shares in Malaysia relates to the 15.79% (2008 : nil) equity interest in Alam Flora Sdn. Bhd. ("AFSB"), a company incorporated in Malaysia held by a subsidiary. The principal activity of AFSB is provision of integrated solid waste management services. The unquoted shares are pledged as security via a memorandum of deposit for advances from a director as mentioned in Note 17.4.

Notes to the Financial Statements (cont'd)

31 December 2009

11. OTHER INVESTMENTS (CONT'D)

Note 11.2

The unquoted shares outside Malaysia relates to the 7.6% (2008 : 7.6%) equity interest in SEECO Engineering for Sewerage & Environmental Co. Ltd. ("SEECO"), a company incorporated in the State of Khartoum, Republic of Sudan, held by a subsidiary. The principal activities of SEECO are that of design, construct, test, commission, operate, manage and maintain plant and sewerage system and ancillary facilities.

12. PROPERTIES HELD FOR SALE

(a) Properties classified as held for sale

Properties that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale.

	Group/Company	
	2009	2008
	RM'000	RM'000
At lower of carrying amount and fair value less cost to sell		
At 1 January	8,986	11,096
Reclassified from property, plant and equipment (Note 8)	6,587	-
Disposals	(1,934)	(2,061)
At 31 December	13,639	9,035
Less: Accumulated impairment loss		
At 1 January	49	-
Additions	778	49
Disposals	(49)	-
At 31 December	778	49
	12,861	8,986

Included in the above are:

	2009	2008
	RM'000	RM'000
Freehold land	6,772	4,571
Buildings	6,089	4,415
	12,861	8,986

The above properties classified as held for sale are pledged as security for banking facilities as mentioned in Note 12(b).

Notes to the Financial Statements (cont'd)

31 December 2009

12. PROPERTIES HELD FOR SALE (CONT'D)

(b) Liabilities directly associated with properties classified as held for sale

This is in respect of liabilities that are directly associated with the properties classified as held for sale.

	Note	Group/Company	
		2009 RM'000	2008 RM'000
Secured			
Restructured loan	12.1	2,979	3,400
Bills payable	12.2	-	213
Bank overdraft	12.2	2,822	2,621
Term loan	12.2	345	1,416
		6,146	7,650

Note 12.1

The above restructured loan is in respect of the defaulted bank overdraft and term loan which was restructured in the previous year. The loan is repayable by 24 monthly installments of RM50,000 each follows by monthly installments of RM120,000 each until full settlement and is secured and supported by:

- (i) fixed charge over the freehold land and buildings of the Company (Note 12 (a)); and
- (ii) corporate guarantee given by a subsidiary.

Note 12.2

The bills payable, bank overdraft and term loan which have not been restructured will be settled in full upon disposal of the properties classified as held for sale and are secured and supported by:

- (i) fixed charge over buildings of the Company; and
- (ii) jointly and severally guarantees by the Company's former directors.

The term loan and restructured loan bear effective interest at rates ranging from 7.55% to 8.05% (2008: 8.75% to 9.25%) per annum. The bills payable and bank overdraft bear effective interest at rates ranging from 7.55% to 8.05% (2008: 8.00% to 8.75%) per annum.

13. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade					
Trade receivables		17,458	19,098	7,565	12,192
Less: Allowance for doubtful debts		(10,647)	(15,662)	(7,543)	(12,151)
	13.1	6,811	3,436	22	41

Notes to the Financial Statements (cont'd)

31 December 2009

13. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Non-trade					
Amounts due from subsidiaries	13.2	-	-	3,242	4,571
Amount due from an affiliated company	13.2	281	276	-	-
Other receivables		868	1,069	238	240
Deposits		75	182	107	81
Prepayments		179	23	19	19
		1,403	1,550	3,606	4,911
Less: Allowance for doubtful debts		(627)	(627)	(3,446)	(2,272)
		776	923	160	2,639
		7,587	4,359	182	2,680

Note 13.1

The Group's and the Company's normal trade credit term is 30 days. Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are non-interest bearing.

The foreign currency exposure profile of the trade receivables of the Group is as follows:

	Group	
	2009 RM'000	2008 RM'000
United States Dollar	-	140

Note 13.2

The amounts due from subsidiaries and affiliated company are in respect of advances and payments made on behalf which are non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash. Information on affiliated company is further disclosed in Note 23.

14. INVENTORIES

	Group	
	2009 RM'000	2008 RM'000
At cost:		
Raw materials	156	240
Tools and accessories	833	607
Work-in-progress	249	201
Finished goods	495	430
	1,733	1,478

Notes to the Financial Statements (cont'd)

31 December 2009

15. SHARE CAPITAL AND RESERVES

Share capital

	Group / Company	
	2009	2008
	RM'000	RM'000
Authorised :		
100,000,000 ordinary shares of RM1.00 each	100,000	100,000
Issued and fully paid:		
50,000,000 ordinary shares of RM1.00 each	50,000	50,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

Reserves

	Share premium	Capital reserve	Total
	RM'000	RM'000	RM'000
Group			
At 1 January 2008/ 31 December 2008 / 31 December 2009	3,473	2,000	5,473
Company			
At 1 January 2008/ 31 December 2008/ 31 December 2009	3,473	-	3,473

Capital reserve

The capital reserve is in respect of capitalisation of retained earnings for bonus issue of a subsidiary.

16. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's and the Company's interest-bearing loans and borrowings. For more information about the Group's and the Company's exposure to interest rate risk and foreign currency risk, see Note 21.

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Non-current				
Restructured loans - secured	10,069	12,286	1,730	2,819
Finance lease liabilities	-	27	-	27
	10,069	12,313	1,730	2,846

Notes to the Financial Statements (cont'd)

31 December 2009

16. LOANS AND BORROWINGS (CONT'D)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current				
Restructured loans - secured	2,262	1,217	1,112	824
Finance lease liabilities	19	27	19	27
	2,281	1,244	1,131	851
Total	12,350	13,557	2,861	3,697

The restructured loans bear effective interest at rates ranging from 7.50% to 9.55% (2008: 8.80% to 10.75%) per annum.

The restructured loans are secured by:

- (i) fixed charge over the freehold land and buildings of the Group and of the Company (Note 8);
- (ii) a debenture over the fixed and floating assets of the Group;
- (iii) a negative pledge over the Company's and certain subsidiaries' assets;
- (iv) corporate guarantee given by the Company; and
- (v) joint and several guarantees by the Company's former directors.

Terms and debt repayment schedule:

	Carrying Amount RM'000	Under 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	Over 5 years RM'000
Group							
2009							
Secured restructured loans	12,331	2,262	3,077	1,540	215	234	5,003
Finance lease liabilities	19	19	-	-	-	-	-
	12,350	2,281	3,077	1,540	215	234	5,003
2008							
Secured restructured loans	13,503	1,217	2,032	2,810	1,518	-	5,926
Finance lease liabilities	54	27	27	-	-	-	-
	13,557	1,244	2,059	2,810	1,518	-	5,926

Notes to the Financial Statements (cont'd)

31 December 2009

16. LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule: (cont'd)

	Carrying Amount RM'000	Under 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	Over 5 years RM'000
Company							
2009							
Secured restructured loans	2,842	1,112	1,314	416	-	-	-
Finance lease liabilities	19	19	-	-	-	-	-
	2,861	1,131	1,314	416	-	-	-
2008							
Secured restructured loans	3,643	824	1,047	1,294	478	-	-
Finance lease liabilities	54	27	27	-	-	-	-
	3,697	851	1,074	1,294	478	-	-

The Group and the Company have defaulted in most of their banking facilities as at 31 December 2007. In the previous year, the banking facilities have been restructured and/or rescheduled as follows:

- Bank overdraft I and bills payable of RM2,533,000 of the Company are repayable over 48 monthly installments of RM77,750 each commencing in September 2008;
- Bank overdraft II of RM1,110,000 of the Company is first repayable by 9 monthly installments of RM14,000 each commencing in December 2008 follows by 12 monthly installments of RM23,000 each, RM40,000 each for the next 22 monthly installments and 2 final installments of RM60,000 and RM103,000 respectively;
- Bank overdraft and finance lease liabilities of RM1,110,000 of a subsidiary are repayable by an upfront payment of RM30,000 in August 2008 follows by 12 monthly installments of RM15,000 each, RM30,000 each for the next 12 monthly installments, RM45,000 each for the subsequent 12 monthly installments and subsequently RM55,000 each month until full settlement;
- Term loan I of RM2,824,000 of a subsidiary is repayable first by 9 monthly installments of RM36,000 each commencing in December 2008 follows by 12 monthly installments of RM57,000 each, subsequently 22 monthly installments of RM100,000 each and a final month installment of RM80,000; and
- Term loan II of RM5,926,000 of a subsidiary is repayable by an upfront payment of RM150,000 follows by 12 monthly installments of RM25,000 each commencing in June 2008 and RM30,000 per month for the subsequent years until full settlement.

Accordingly, the above restructured and/or rescheduled banking facilities have been collectively referred to as restructured loans.

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Future minimum lease payments 2009 RM'000	Finance charges 2009 RM'000	Present value of minimum lease payments 2009 RM'000	Future minimum lease payments 2008 RM'000	Finance charges 2008 RM'000	Present value of minimum lease payments 2008 RM'000
Group/Company						
Less than one year	20	1	19	30	3	27
Between one and five years	-	-	-	29	2	27
	20	1	19	59	5	54

Notes to the Financial Statements (cont'd)

31 December 2009

17. PAYABLES AND ACCRUALS

		Group		Company	
	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Non-current					
Non-trade					
Other payable	17.1	227	1,285	227	1,285
Current					
Trade					
Trade payables	17.2	9,999	12,201	523	472
Non-trade					
Amounts due to a subsidiary	17.3	-	-	653	-
Amount due to a director	17.4	5,406	3,591	-	-
Other payables	17.5	7,509	6,583	5,777	3,202
Accrued expenses		4,603	2,738	1,167	932
		27,517	25,113	8,120	4,606

Note 17.1

This is in respect of an obligation to settle the banking facilities taken by a former subsidiary, PJBumi Engineering Sdn. Bhd. pursuant to the formal arrangement entered into with the purchaser in the previous year.

The amount bears effective interest at a rate of 9.05% (2008 : 10.00%) per annum and secured and supported as follows:

- (i) fixed charge over the freehold land of the Company;
- (ii) corporate guarantee given by the Company; and
- (iii) joint and several guarantees by the Company's former directors.

The maturity profile of non-current other payable is as follows:-

	Group/Company	
	2009 RM'000	2008 RM'000
Non-current		
Payable after 1 year but not later than 2 years	227	933
Payable after 2 years but not later than 3 years	-	352
	227	1,285

Notes to the Financial Statements (cont'd)

31 December 2009

17. PAYABLES AND ACCRUALS

Note 17.2

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and to the Company ranges from 30 days to 60 days.

The foreign currency expose profile of trade payables of the Group is as follows:

	2009 RM'000	Group 2008 RM'000
United States Dollar	788	797

Note 17.3

The amount due to a subsidiary is in respect of advances and payments made on behalf which are non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

Note 17.4

The amount due to a director is in respect of advances which is repayable on demand, bears profit rates ranging from 7.30% to 8.75% (2008: nil), expected to be settled in cash and secured as follows:

- (i) a memorandum of deposit by PJBumi Waste Management Sdn. Bhd. ("PJBWM"), a subsidiary of the Company over all the ordinary shares held by it in Alam Flora Sdn. Bhd.;
- (ii) a memorandum of deposit by the Company over all the ordinary shares held by it in PJBWM; and
- (iii) a deed of debentures executed by PJBWM over its current and future assets.

Note 17.5

Included in other payables of the Group and of the Company are:

- (a) an amount of RM952,000 (2008 : RM845,000), being an obligation to settle the banking facilities taken by a former subsidiary, PJBumi Engineering Sdn. Bhd. as referred in Note 17.1 ; and
- (b) amounts of RM200,000 (2008 : RM nil) due to companies in which a director has substantial financial interest. These amounts are in respect of advances which are non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

18. PROVISION

	2009 RM'000	Company 2008 RM'000
Provision for corporate guarantee		
At 1 January	2,825	4,645
Provision made during the year	-	205
Reversal of provision	(309)	(2,025)
At 31 December	2,516	2,825

The provision of the Company is in respect of corporate guarantee given by the Company for banking facilities taken by its subsidiaries.

Notes to the Financial Statements (cont'd)

31 December 2009

19. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

Deferred tax assets/liabilities recognised before appropriate off-setting are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deferred tax assets	(1,016)	(1,028)	(90)	(86)
Deferred tax liabilities	1,016	1,028	90	86
	-	-	-	-

This is in respect of estimated deferred tax assets/liabilities arising from temporary differences as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deferred tax assets				
Deductible temporary differences arising from expenses	(525)	(591)	(42)	-
Capital allowance carry-forwards	(118)	(437)	-	(86)
Tax loss carry-forwards	(373)	-	(48)	-
	(1,016)	(1,028)	(90)	(86)
Deferred tax liabilities				
Differences between the carrying amount of property, plant and equipment and its tax base	1,014	1,028	90	86
Taxable temporary differences in respect of income	2	-	-	-
	1,016	1,028	90	86

Notes to the Financial Statements (cont'd)

31 December 2009

19. DEFERRED TAX ASSETS AND LIABILITIES (CONT'D)

Deferred tax assets have not been recognised in respect of the following temporary differences:

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Deductible temporary differences in respect of expenses	887	852	-	80
Tax loss carry-forwards	24,554	27,621	3,038	3,775
Capital allowance carry-forwards	-	1,719	-	59
	25,441	30,192	3,038	3,914

The tax loss carry-forwards and capital allowance carry-forwards do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of the above items because it is not probable that the future taxable profit will be available against which the Company and its subsidiaries can utilise the benefits therefrom.

20. SEGMENTAL REPORTING

Segment information is presented in respect of the Group's business segments, which is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets and revenue, interest-bearing loans, borrowings and expenses and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Inter-segment pricing is determined on terms mutually agreed upon by the parties involved.

Business segments

The Group comprises the following main business segments:

- (i) Manufacturing – manufacturing of Fibre Reinforced Plastic ("FRP"), Reinforced Concrete Sewerage Treatment Plants ("STP") and Underground Storage Tanks ("UST").
- (ii) Construction, maintenance and design - Construction, maintenance, after-sales support services and design of FRP, STP and UST.
- (iii) Waste management services – solid waste management, garbage collection, area cleaning, dump processing and other related activities.
- (iv) Investment – investment holding.

Geographical segments

The Group's operations are principally in Malaysia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets.

Notes to the Financial Statements (cont'd)

31 December 2009

20. SEGMENTAL REPORTING (CONT'D)

	Constructions, maintenance and design				Waste management services				Investment				Eliminations				Consolidated				Less: Discontinued operation				Continuing operations			
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Business segments																												
Revenue from external customers																												
	13,014	7,390	4,344	2,259	9,243	7,771	-	-	-	-	-	-	-	-	26,601	17,420	-	-	-	-	-	-	-	-	26,601	17,420		
Inter-segment revenue																												
	-	-	-	-	-	-	-	-	2,655	1,742	(2,655)	(1,742)	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total revenue																												
	13,014	7,390	4,344	2,259	9,243	7,771	2,655	1,742	2,655	1,742	(2,655)	(1,742)	26,601	17,420	26,601	17,420	-	-	-	-	-	-	-	-	26,601	17,420		
Segment results																												
	2,095	(796)	763	(138)	4,557	(1,195)	(4,281)	4,857	1,678	(3,972)	4,812	(1,244)	-	-	794	4,812	(450)	-	-	-	-	-	-	-	794	4,812		
Finance costs																												
															(2,601)	(2,581)	-	81	(2,601)	(2,500)	-	-	-	-	(2,601)	(2,500)		
Interest income																												
															5	9	-	-	-	5	9	-	-	-	-	5	9	
Profit/(Loss) before tax																												
															2,216	(3,816)	-	875	2,216	(2,941)	-	-	-	-	2,216	(2,941)		
Tax expense																												
															(1,135)	(526)	-	-	(1,135)	(526)	-	-	-	-	(1,135)	(526)		
Profit/(Loss) for the year																												
															1,081	(4,342)	-	875	1,081	(3,467)	-	-	-	-	1,081	(3,467)		
Segment assets																												
	24,161	23,376	2,510	932	16,025	2,800	43,466	61,176	(7,223)	(8,920)	79,364	(12,861)	(44,928)	66,078	34,436	78,939	79,364	(12,861)	(44,928)	66,078	34,436	-	-	78,939	79,364			
Unallocated assets																												
	-	-	-	-	299	158	-	-	-	-	-	-	-	-	299	158	-	-	-	-	299	158	-	-	299	158		
Total assets																												
	24,161	23,376	2,510	932	16,324	2,958	43,466	61,176	(7,223)	(8,920)	79,238	79,522	(12,861)	(44,928)	66,377	34,594	79,238	79,522	(12,861)	(44,928)	66,377	34,594	-	-	79,238	79,522		
Segment liabilities																												
	22,926	23,576	3,269	2,454	8,831	10,187	19,871	20,064	(8,657)	(8,676)	46,240	47,605	(6,146)	(7,650)	40,094	39,955	46,240	47,605	(6,146)	(7,650)	40,094	39,955	-	-	40,094	39,955		
Unallocated liabilities																												
	4,730	4,730	-	-	-	-	3,193	3,193	-	-	7,923	7,923	-	-	7,923	7,923	-	-	-	-	7,923	7,923	-	-	7,923	7,923		
Total liabilities																												
	27,656	28,306	3,269	2,454	8,831	10,187	23,064	23,257	(8,657)	(8,676)	54,163	55,528	(6,146)	(7,650)	48,017	47,878	54,163	55,528	(6,146)	(7,650)	48,017	47,878	-	-	48,017	47,878		

Notes to the Financial Statements (cont'd)

31 December 2009

20. SEGMENTAL REPORTING (CONT'D)

	Manufacturing			Constructions, maintenance and design			Waste management services			Investment			Eliminations			Consolidated			Less: Discontinued operation			Continuing operations		
	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000
Business segments (cont'd)																								
Capital expenditure	34	1		35	2		2	-		52	48	-	-		123	51	-	-		123	51	-		
Allowance for doubtful debts no longer required	(607)	-		-	-		-	-		(4,760)	(1,652)	-	-		(5,367)	(1,652)	-	-		(5,367)	(1,652)	-		
Bad debts written off	559	-		26	-		-	1		4,601	36	-	-		5,186	37	-	-		5,186	37	-		
Depreciation of property, plant and equipment	653	659		7	22		6	6		221	235	-	-		887	922	-	(10)		887	912	-		
Amortisation of intangible assets	101	101		-	-		-	-		-	-	-	-		101	101	-	-		101	101	-		
Intangible assets written off	503	-		-	-		-	-		-	-	-	-		503	-	-	-		503	-	-		
Property, plant and equipment written off	-	-		-	-		-	52		-	-	-	-		-	52	-	-		-	-	-		
Allowance for doubtful debts	200	536		-	881		660	853		1,457	2,609	(1,966)	(2,908)		351	1,971	-	-		351	1,971	-		

	Malaysia			Sudan			Eliminations			Consolidated			Less: Discontinued operation/ Non-current assets held for sale			Continuing operations		
	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000	2009	2008	RM'000
Geographical segment																		
Revenue from external customers	26,601	15,466	-	-	1,954	-	-	-	26,601	17,420	-	-	-	-	-	26,601	17,420	-
Segment assets by location of assets	78,802	79,216	137	148	-	-	-	-	78,939	79,364	(12,861)	(44,928)	-	-	-	66,078	34,436	-
Capital expenditure by location of assets	123	51	-	-	-	-	-	-	123	51	-	-	-	-	-	123	51	-

Notes to the Financial Statements (cont'd)

31 December 2009

21. FINANCIAL INSTRUMENTS

(a) Financial risk management objective and policies

Exposure to credit, foreign currency, liquidity and interest rate risks arises in the normal course of the Group's and the Company's business. The nature of these risks and the Group and the Company's approaches in managing the risks are summarised below:

(i) Credit risk

The Group's exposure to credit risk primarily arises from its trade receivables and the maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheets.

Management monitors its credit risk on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

As at 31 December 2009, approximately 44% (2008: 61%) of the Group's net trade receivables was due from a customer, Alam Flora Sdn. Bhd.. Trade receivables balance from the major customer amounted to RM3,014,000 (2008: RM2,100,000).

The Company does not have any significant concentration of credit risk as at balance sheet date.

(ii) Foreign currency risk

The Group and the Company incur foreign currency risk on sales and purchases that are denominated in currencies other than Ringgit Malaysia. The currency giving rise to this risk is primarily US dollars.

It is not the Group's and the Company's policies to enter into forward foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency as transactions denominated in foreign currency are minimal.

(iii) Liquidity risk

The repayment schedule of most defaulted banking facilities of the Group and of the Company have been restructured in the previous year. The remaining defaulted banking facilities will be settled via disposal of the Group's properties. The Group actively manages its operating cash flows so as to ensure that all repayment and funding needs are met.

(iv) Interest rate risk

The Group's and the Company's exposure to market risk for changes in interest rates relates primarily to borrowings from financial institutions. There are no formal hedging policies with respect to interest rate exposure.

(b) Fair values

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

(i) Cash and cash equivalents, trade and other receivables and payables

The carrying amounts of the above short term financial instruments approximate fair values due to the relatively short term maturities of these financial assets and liabilities.

The carrying amount of non-current other payable which bears interest at floating rate approximates its fair value.

Notes to the Financial Statements (cont'd)

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21. FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair values (cont'd)

(ii) Loans and borrowings

The carrying amounts of bank overdrafts and other short term borrowings approximate fair values due to the relatively short term maturities of these financial liabilities.

The carrying amounts of long term floating rate loans approximate their fair values.

The carrying amounts of financial assets and liabilities recognised in the balance sheet approximate their fair value except as follows:

	Carrying Amount RM'000	Group Fair Value RM'000
2009		
Financial asset		
Other investment		
- unquoted shares	37,272	- *
2008		
Financial asset		
Other investment		
- unquoted shares	1,330	- *

* It is not practical to estimate the fair value of unquoted shares due to lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.

The nominal amount and fair value of financial instruments not recognised in the balanced sheet is as follows:

	Carrying Amount RM'000	Group Fair Value RM'000	Carrying Amount RM'000	Company Fair Value RM'000
2009				
Contingent liabilities - unsecured	9,759	@	12,275	@
2008				
Contingent liabilities - unsecured	9,872	@	15,798	@

@ It is not practical to estimate the fair value of the contingent liabilities reliably due to uncertainties of timing, cost and eventual outcome.

Notes to the Financial Statements (cont'd)

31 December 2009

22. CONTINGENCIES

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Contingent liabilities not considered remote				
Unsecured guarantees and contingencies relating to borrowings of :				
- subsidiaries	-	-	-	5,926
- SEECO Engineering for Sewerage & Environmental Co. Ltd.*	9,759	9,872	9,759	9,872
	9,759	9,872	9,759	15,798

* Represents the Group's share of the entire corporate guarantee based on its proportion of interest among the existing guarantors.

23. RELATED PARTIES

Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group has a related party relationship with its subsidiaries, affiliated company, companies in which director has substantial financial interest and key management personnel. Affiliated company refers to SEECO Engineering for Sewerage & Environmental Co. Ltd., a company incorporated in the Republic of Sudan in which the Group has 7.6% equity interest and with common directors.

Related party transactions and balances

	2009	2008
	RM'000	RM'000
Group		
(Received or receivable)/Paid or payable		
SEECO Engineering for Sewerage & Environmental Co. Ltd., affiliated company		
- Sales	-	(1,954)
Progressive Impact Corporation Berhad, a corporate shareholder		
- Professional fees	33	20
Edwin Silvester Das, a Director of the Company		
- Consultancy fees	-	75
Haji Zaid bin Haji Abdullah, a Director of the Company		
- Management and legal fees	-	100
- Interest charges	704	-

Notes to the Financial Statements (cont'd)

31 December 2009

23. RELATED PARTIES (CONT'D)

Related party transactions and balances (cont'd)

	2009 RM'000	2008 RM'000
Company		
(Received or receivable)/Paid or payable		
Management fees from subsidiaries	(2,655)	(1,742)
Progressive Impact Corporation Berhad, a corporate shareholder		
- Professional fees	33	20
Edwin Silvester Das, a Director of the Company		
- Consultancy fees	-	75

Information on outstanding balances with subsidiaries and affiliated company and companies in which a director has substantial financial interest at balance sheet date is disclosed in Notes 13 and 17.

Key management personnel compensation

Key management personnel compensation is disclosed in Note 5.

24. DISCONTINUED OPERATION AND NON-CURRENT ASSETS HELD FOR SALE

The loss from discontinued operation during the financial year comprises:

	Note	2009 RM'000	2008 RM'000
PJBumi Engineering Sdn. Bhd.	24.1	-	(875)
Loss from discontinued operation		-	(875)

The non-current assets held for sale during the financial year comprises:

	Note	2009 RM'000	Group 2008 RM'000
Alam Flora Sdn. Bhd.	24.2	-	35,942

Note 24.1

On 24 April 2008, a formal arrangement for disposal of PJBumi Engineering Sdn. Bhd. ("PJBE") was entered into with a third party for a total cash consideration of RM6.0 million. The disposal was completed in July 2008.

Notes to the Financial Statements (cont'd)

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24. DISCONTINUED OPERATION AND NON-CURRENT ASSETS HELD FOR SALE (CONT'D)

Note 24.1 (cont'd)

Analysis of the results of discontinued operation

	Group 2008 RM'000
Revenue	-
Expenses	(530)
Loss for the year from discontinued operation	(530)
Loss on disposal of discontinued operation	(345)
Loss for the year	(875)

Included in arriving at loss from discontinued operation are:

	Group 2008 RM'000
Depreciation of property, plant and equipment	10
Interest expense	80

Cash flows from discontinued operation

	Group 2008 RM'000
Operating cash flows	23
Total cash flows	23

Effect of disposal on financial position of the Group

	2008 RM'000
Property, plant and equipment	24
Receivables, deposits and prepayments	21,007
Cash and cash equivalents	100
Deferred income	(2,459)
Bank overdraft	(2,088)
Payables and accruals	(9,241)
Current tax liabilities	(998)
Net identifiable assets and liabilities	6,345
Loss on disposal of subsidiary	(345)
Total sale consideration, satisfied in cash	6,000
Cash and cash equivalents disposed	1,988
Net cash inflow	7,988

Notes to the Financial Statements (cont'd)

31 December 2009

24. DISCONTINUED OPERATION AND NON-CURRENT ASSETS HELD FOR SALE (CONT'D)

Note 24.2

Since the previous financial year, the Group has been in discussion with certain parties for the disposal of its entire interest in Alam Flora Sdn. Bhd. ("AFSB"). Accordingly, the carrying amount of the investment in AFSB has been presented as a non-current asset held for sale on the Group's balance sheet. However, during the financial year, management decided to abort the plan to dispose off the investment in view of the inability to reach an agreement with the interested parties on the sale consideration value. As such, the investment in AFSB was reclassified to other investments (Note 11).

25. NON-CANCELLABLE OPERATING LEASE COMMITMENT

At the balance sheet date, the Company had commitments under non-cancellable operating lease for rental of premises as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Payable within one year	56	133	56	133
Payable within one and five year	-	56	-	56
	56	189	56	189

The Group and the Company lease premises under non-cancellable operating lease for their operations. The lease has an initial period of 2 years, with an option to renew for further 2 years upon expiry of the initial lease period.

Shareholdings Analysis

as at 8 April 2010

Authorised Capital	RM100,000,000.00
Issued and fully paid-up capital	RM50,000,000.00
Class of shares	Ordinary shares of RM1.00 each
Voting Rights	One vote per ordinary share

Size of Holdings	No. of shareholders	% of shareholders	No. of shares	% of shareholdings
<100	6	0.55	283	0.00
100 - 1,000	289	26.61	254,083	0.51
1,001 - 10,000	500	46.04	2,575,506	5.15
10,001 - 100,000	241	22.19	7,955,800	15.91
100,001 - < 5% issued shares	49	4.51	24,114,328	48.23
5% and above of issued shares	1	0.10	15,100,000	30.20
	1,086	100.00	50,000,000	100.00

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest	No. of shares held		Deemed Interest	%
		%			
Progressive Impact Corporation Berhad	15,100,000	30.20	-	-	-
Ridzuan Bin Ismail	3,492,200	6.98	-	-	-
Haji Zaid Bin Haji Abdullah	-	-	15,100,000*	30.20*	30.20*
Hajjah Zaidah Binti Mohd Salleh	-	-	15,100,000*	30.20*	30.20*

* Deemed interest by virtue of their substantial shareholdings in Progressive Impact Corporation Berhad

DIRECTORS' SHAREHOLDINGS

Name	Direct Interest	No. of shares held		Deemed Interest	%
		%			
Haji Zaid Bin Haji Abdullah	-	-	15,100,000*	30.20*	30.20*
Encik Johar Bin Yusof	-	-	-	-	-
Ir. Haji Mohd Nor @ Ghazali Bin Omar	-	-	-	-	-
Haji Taib Bin Hashim	-	-	-	-	-
Hajjah Zaidah Binti Mohd Salleh	-	-	15,100,000*	30.20*	30.20*

* Deemed interest by virtue of their substantial shareholdings in Progressive Impact Corporation Berhad

Shareholdings Analysis (cont'd)

as at 8 April 2010

30 LARGEST SHAREHOLDERS

No.	Shareholders	Shareholdings	%
1	Progressive Impact Corporation Berhad	15,100,000	30.20
2	Raja Mohd Nazri Bin Raja Abd Malek	2,042,000	4.08
3	RHB Capital Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ridzuan Bin Ismail</i>	1,692,000	3.38
4	RHB Capital Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ahmad Ridzwan Bin Mohd Salleh</i>	1,508,600	3.02
5	Amsec Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ridzuan Bin Ismail</i>	1,300,200	2.60
6	Kenanga Nominess (Asing) Sdn Bhd <i>Exempt An For Phillip Securities Pte Ltd (Client Account)</i>	1,230,000	2.46
7	Lembaga Tabung Angkatan Tentera	1,217,000	2.43
8	RHB Capital Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ab Ghaus Bin Ismail</i>	934,600	1.87
9	HLB Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Leong Wye Keong</i>	810,700	1.62
10	Selvaraja A/L Krishnan Thevar	789,000	1.58
11	EB Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Haslinoryati Binti Ikhwan</i>	780,000	1.56
12	Chia Yet Mee	664,000	1.33
13	Amsec Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Zainon @ Wan Haslah Binti Hussin</i>	660,000	1.32
14	Alliancegroup Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Abdul Jaber Bin Abdul Hafiz</i>	622,000	1.24
15	Mokhsen Ibrahim	589,828	1.18
16	CIMSEC Nominess (Tempatan) Sdn Bhd <i>CIMB Bank For Mohammed Amin Bin Mahmud</i>	530,000	1.06
17	F.I.T Nominess (Asing) Sdn Bhd <i>Pledged Securities Account For SHanmughanathan A/L Vellanthurai</i>	509,800	1.02
18	M.I.T Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ridzuan Bin Ismail</i>	500,000	1.00
19	AIBB Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Yayasan Pok Dan Kassim</i>	495,500	0.99
20	RHB Capital Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Mohd Shafei Bin Abdullah</i>	470,000	0.94
21	Mohd Noor Bin Bidin	451,000	0.90
22	Mohd Zohir Bin Harun	407,000	0.81
23	Ahmad Bin Sayid Bajrai	400,000	0.80
24	Thayiba Binti Mahdi Nala	399,300	0.80
25	Mayban Nominess (Tempatan) Sdn Bhd <i>Pledged Securities Account For Mohd Yunus Bin Mohd Tasi</i>	365,900	0.73
26	CIMSEC Nominess (Tempatan) Sdn Bhd <i>CIMB Bank For Noble Sound Sdn Bhd</i>	350,000	0.70
27	Khalijah Binti Mohd Salleh	336,000	0.67
28	Soon Khia Voon	320,000	0.64
29	Mohamad Yunus Bin Ariffin	319,300	0.64
30	Mohamad Bin Sham	316,300	0.63
Total		36,110,028	72.22

List of Properties

No	Address	Description	Sq.Ft	Existing Use	Tenure	Age of Building	*Net Book Value
1	Lot 45-2, Jalan Setiawangsa 11A, Taman Setiawangsa, 54200 Kuala Lumpur	Building	1,354	Office (Rented)	Freehold	19 years	147,788.38
2	Lot 46-1, Jalan Setiawangsa 11A, Taman Setiawangsa, 54200 Kuala Lumpur	Building	1,000	Vacant	Freehold	19 years	75,899.87
3	Lot 46-2, Jalan Setiawangsa 11A, Taman Setiawangsa, 54200 Kuala Lumpur	Building	1,827	Office (Rented)	Freehold	19 years	65,777.75
4	Lot 3.3.005, Wisma Prima Peninsula, Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	Building	3,804	Office Suite	Freehold	-	646,680.94
5	Lot 5.4.006, Wisma Prima Peninsula, Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	Building	1,216	Vacant	Freehold	-	194,560.00
6	Lot 5.4.007, Wisma Prima Peninsula, Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	Building	2,798	Vacant	Freehold	-	475,660.00
7	Lot 5.4.008, Wisma Prima Peninsula, Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	Building	1,815	Office Suite (Rented)	Freehold	-	291,258.34
8	Lot 5.5.006, Wisma Prima Peninsula, Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	Building	1,215	Office Suite (Rented)	Freehold	-	194,560.00
9	(Plot 1) Lot 9 & 10, Jalan 9, Kawasan MIEL, Fasa V Estate, 08000 Sungai Petani, Kedah Darul Aman	Factory Land and Building	496,539	Factory	Malay Reserve	8 years	16,278,234.00
10	Plot 2, PT 60593, 08000 Sungai Petani, Kedah Darul Aman	Land	201,716	-	Malay Reserve	9 years	2,200,631.97
11	Plot 3, PT 60594, 08000 Sungai Petani, Kedah Darul Aman	Land	200,351	-	Malay Reserve	10 years	1,800,000.00
12	Plot 4, PT 60595, 08000 Sungai Petani, Kedah Darul Aman	Land	218,410	-	Malay Reserve	11 years	2,382,766.00

Dear Shareholders,

IMPLEMENTATION OF ELECTRONIC DIVIDEND PAYMENT (“eDIVIDEND”) PURSUANT TO THE DIRECTIVE DATED 19 FEBRUARY 2010 (REF. NO.:SR/TAC/RO/LD07/10) FROM BURSA MALAYSIA SECURITIES BERHAD

What is eDividend?

Electronic Dividend Payment or eDividend refers to the payment of cash dividends by a listed issuer to its shareholders by directly crediting the shareholders' cash dividend entitlements into their respective bank accounts. All listed companies to pay via eDividend for all dividends on the entitlement date on or after 1 September 2010.

eDividend Benefits

No More Delays	From 3-14 days via cheques to 0/1 day via eDividend to receive dividend payment.
Assurance of Certainty	Dividends credited into bank accounts on a timely basis whether Kuala Lumpur or outstation. No more missing cheques/expired cheques. No unclaimed moneys.
Convenience and Simplicity	No more visits to banks to deposit cheques. Can opt one (1) bank account for all CDS accounts. Same bank account applies for future new CDS accounts.
eNotification upon Payment	For shareholders who provide email and mobile details.
No Cost to Shareholders	No bank charges on dividend amount. No depository administration fee for registration within grace period.

Registration of eDividend

Shareholders are given a one-year grace period from **19 April 2010 until 18 April 2011** to provide their bank account information to Bursa Malaysia Depository Sdn Bhd.

How do I provide my bank account information for eDividend?

You must complete the relevant prescribed form and submit it together with the required supporting documents to your stock broker's office where your CDS account is maintained.

What supporting documents are required?

Individual CDS Depositor	NRIC or Passport or Authority Card or other acceptable identification documents. Bank Statement or Bank Saving Book or details of your bank account obtained from your bank's website that has been certified by your bank or copy of the letter from your bank confirming your bank account details.
Corporate CDS Depositor	Certified true copy of Certificate of Incorporation/Certificate of Registration. Certified true copy of Bank Statement or Bank Saving Book or details of your bank account obtained from your bank's website that has been certified by your bank or copy of the letter from your bank confirming your bank account details.

You are encouraged to update your bank account information through your stock broker firm soonest. There will be a fee charged after the grace period.

Contact Details

For more information, kindly refer to the eDividend page at www.bursamalaysia.com

For queries, please contact:

Bursa Malaysia Customer Care Centre

Tel (603) 27320067

Email edividend@bursamalaysia.com

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PROXY FORM

(Before completing this form please refer to the notes below)

No. of ordinary
shares held

I/We _____ I/C No./Co. No./CDS A/C No. _____
(Full name in block capital)

of _____
(Full address)

being a member/members of PJBUMI BERHAD, hereby appoint the following person(s):-

Name of proxy, NRIC No. & Address

No. of shares to be represented

1. _____

2. _____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Twenty-Fifth Annual General Meeting of the Company to be held at 2nd Floor, Lot No. 19, Jalan Astaka U8/84, Bukit Jelutong Business & Technology Centre, Section U8, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 25 May 2010 at 10.00a.m.. My/our proxy/proxies is to vote as indicated below:-

Resolution	Ordinary Business	First Proxy		Second Proxy	
		For	Against	For	Against
1.	To Re-Elect Encik Johar Bin Yusof Who Retires Pursuant To Article 102.				
2.	To Re-Appoint Messrs Moore Stephens Ac As Auditor And To Authorised The Directors To Fix Their Remuneration.				
3.	As Special Business Authority To Issue Shares By The Company Pursuant To Section 132D Of The Companies Act, 1965.				

* Please indicate with a "√" or "X" in the space provided how you wish your vote to be cast. If no instruction as to voting is given, the proxy will vote or abstain from voting at his/her discretion. The first named proxy shall be entitled to vote on a show of hands.

Signed thisday of2010

Signature of Shareholder(s)/Common Seal

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies and that a proxy need not also be a Member.
2. When a member appoints two or more proxies the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if such the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
4. The instrument appointing a proxy must be deposited at the Registered Office at Tingkat 5, Lot 10, Bangunan BKA, Jalan Astaka U8/84, Section U8, Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

Fold this flap for sealing

Then fold here



The Company Secretary
PJBUMI BERHAD (141537-M)
Tingkat 5, Lot 10, Bangunan BKA
Jalan Astaka U8/84, Section U8
Bukit Jelutong, 40150 Shah Alam
Selangor Darul Ehsan

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PJBUMI BERHAD

(141537-M)

Tingkat 5, Lot 10, Bangunan BKA,
Jalan Astaka U8/84, Section U8, Bukit Jelutong,
40150 Shah Alam, Selangor Darul Ehsan

