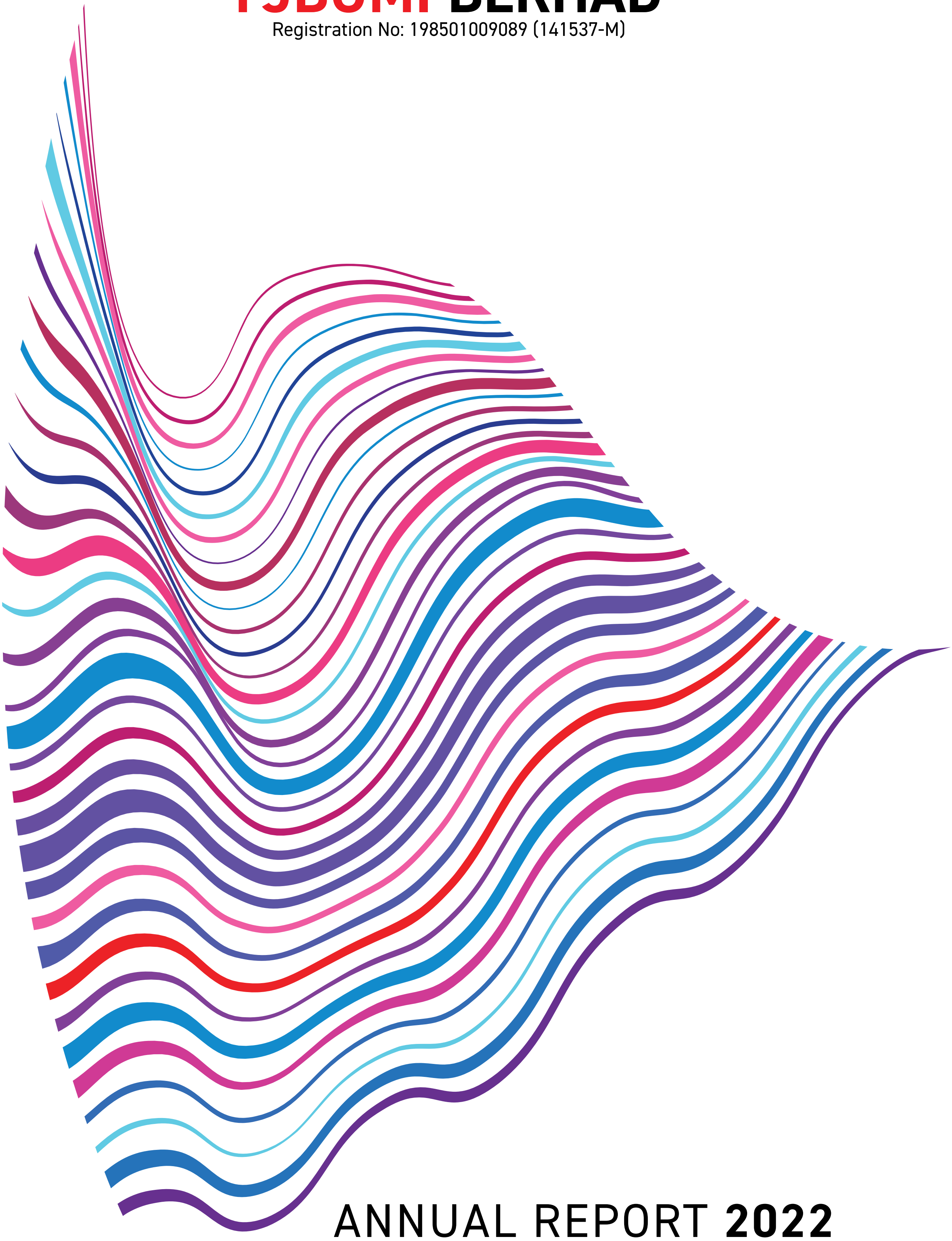
PJBUMI BERHAD

Registration No: 198501009089 (141537-M)



ANNUAL REPORT **2022**

www.pjbumi.com.my

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PERFORMANCE REVIEW

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OUR **VISION**

Shaping the future for the benefits of all our stakeholders – Sustaining Growth, Empowering Lives and Nurturing Communities.

For more information, please visit:
www.pjbumi.com.my

OUR **MISSION**

Guided by our Core Values, we shall execute our business in Digital, Energy, Engineering & Construction Division, Composite Manufacturing Division and Industrial Services Division profitably, safely and responsibly .

CORPORATE **INFORMATION**

BOARD OF DIRECTORS
Adlin Bin Shaharudin
(Chairman/Managing Director)
Ahmad Bin Md Daud
(Independent Non-Executive Director)
Datin Flora Remeo
(Independent Non-Executive Director)
(Appointed on 1 April 2023)
Nik Md Nor Suhaimi Bin Nik Ibrahim
(Independent Non-Executive Director)
Abd Rahim Bin Embi
(Independent Non-Executive Director)

AUDIT COMMITTEE
Abd Rahim Bin Embi (Chairman)
Ahmad Bin Md Daud (Member)
Nik Md Nor Suhaimi Bin Nik Ibrahim (Member)
Datin Flora Remeo (Member) (Appointed on 1 April 2023)

REMUNERATION COMMITTEE
Ahmad Bin Md Daud (Chairman)
Abd Rahim Bin Embi (Member)
Nik Md Nor Suhaimi Bin Nik Ibrahim (Member)
Datin Flora Remeo (Member) (Appointed on 1 April 2023)

NOMINATING COMMITTEE
Nik Md Nor Suhaimi Bin Nik Ibrahim (Chairman)
Ahmad Bin Md Daud (Member)
Abd Rahim Bin Embi (Member)
Datin Flora Remeo (Member) (Appointed on 1 April 2023)

COMPANY SECRETARIES
Lim Seck Wah
MAICSA No: 0799845
SSM PC No: 202008000054
M. Chandrasegaran A/L S. Murugasu
MAICSA No: 0781031
SSM PC No: 202008002193

REGISTERED OFFICE
Level 15-2
Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No: 03-2692 4271
Fax No: 03-2732 5388

BUSINESS ADDRESS
No. 11, Jalan Ruang U8/109
Seksyen U8, Bukit Jelutong
40150 Shah Alam
Selangor Darul Ehsan
Tel No: 03-7831 0075
Fax No: 03-7832 5840
Website: www.pjbumi.com.my

SHARE REGISTRAR
Mega Corporate Services Sdn. Bhd.
(Registration No.: 198901010682 (187984-H)
Level 15-2
Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No: 03-2692 4271
Fax No: 03-2732 5388

AUDITORS
Messrs CHENGCO PLT
201806002622
(LLP0017004-LCA) & AF0886
Chartered Accountants
No. 8-2, 10-1 & 10-2
Jalan 2/114
Kuchai Business Centre
Off Jalan Klang Lama
58200 Kuala Lumpur
Tel No: 03-7984 8988
Fax No: 03- 7984 4402

PRINCIPAL BANKERS
CIMB Bank Berhad
Ambank (M) Berhad
Ambank Islamic Berhad
Malayan Banking Berhad
Muamalat Malaysia Bank Berhad

STOCK EXCHANGE LISTING
Main Market
Bursa Malaysia Securities Berhad
Stock Name: PJBUMI
Stock Code: 7163

CORE **DIVISIONS**

PJBUMI BERHAD
Registration No: 198501009089
(141537-M)

DIGITAL, ENERGY, ENGINEERING & CONSTRUCTION

- **100%** **PJBumi Heavy Engineering & Services Sdn Bhd**
- **100%** **PJBumi Digital Sdn Bhd** (Formerly known as PJBumi Construction Sdn Bhd)

TRADING, MANUFACTURING & OTHERS

- **100%** **PJBumi Resources Sdn Bhd**

INDUSTRIAL SERVICES

- **100%** **PJBumi Enviro Sdn Bhd** (Formerly known as PJBumi Waste Management Sdn Bhd)
  - **100%** **Kemudi Majujaya Sdn Bhd**

DEVELOPMENT

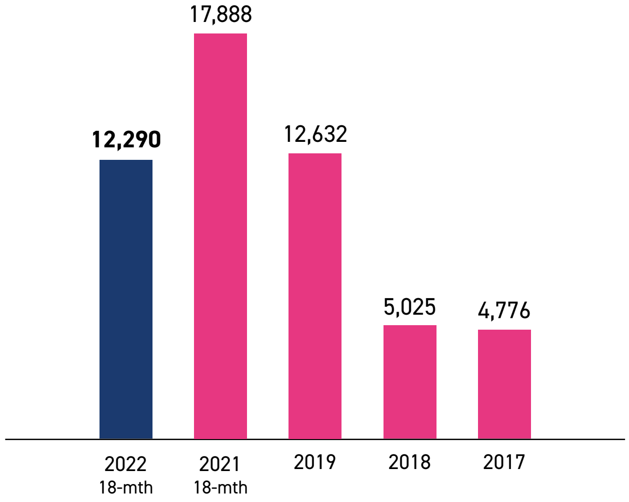
- **70%** **Goldix Resources Sdn Bhd**

FIVE YEARS' **FINANCIAL HIGHLIGHTS**

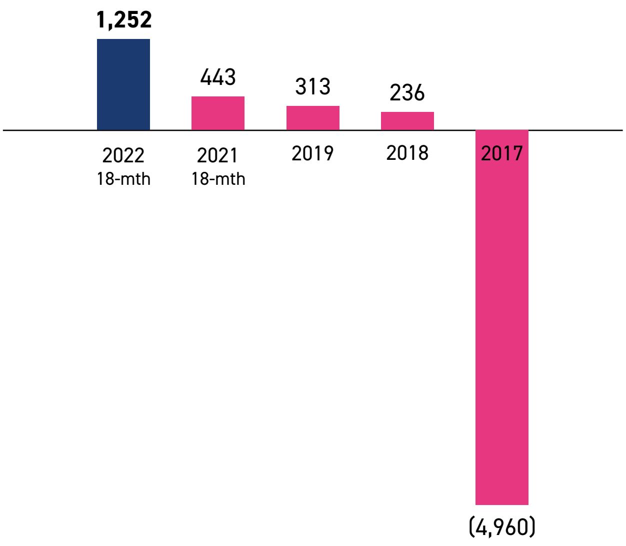
	2022 RM'000 *18-month*	2021 RM'000 *18-month*	2019 RM'000	2018 RM'000	2017 RM'000
ASSETS					
Total Non-Current & Current Assets	**32,402**	31,115	44,537	36,432	36,885
EQUITY & LIABILITIES					
Capital and Reserve					
Share Capital	**44,473**	44,473	44,473	44,473	44,473
Reserves	**(20,330)**	(21,611)	(22,066)	(22,380)	(22,641)
Equity Attributable to:					
Owners Of The Company	**24,143**	22,862	22,407	22,093	21,832
Non-Controlling Interest	**183**	212	220	221	246
Total Equity	**24,326**	23,074	22,627	22,314	22,078
Liabilities					
Total Non-Current & Current Liabilities	**8,076**	8,041	21,910	14,118	14,807
Total Equity & Liabilities	**32,402**	31,115	44,537	36,432	36,885
GROUP RESULTS					
Revenue	**12,290**	17,888	12,632	5,025	4,776
Profit/(Loss) Before Tax	**1,705**	427	313	42	(4,961)
Profit/(Loss) After Tax	**1,252**	443	313	236	(4,960)
Profit/(Loss) Attributable to:					
Owners Of The Company	**1,281**	451	314	261	(4,912)
Non-Controlling Interest	**(29)**	(8)	(1)	(25)	(48)
SELECTED RATIOS					
Earnings/(Loss) Per Shares (Sen)	**1.56**	0.55	0.38	0.32	(5.99)
Net Dividend Per Share (%)	**-**	-	-	-	-
Net Assets Per Share Attributable To Owners of The Company (RM)	**0.29**	0.28	0.27	0.27	0.27
Return On Equity (%)[1]	**0.05**	0.02	0.01	0.01	(0.22)
Return On Assets (%)[2]	**0.04**	0.01	0.01	0.01	(0.13)
Share Price (Period-End Closing) (RM)	**0.90**	0.28	0.19	0.15	0.27

1 Profit/(Loss) attributable to Owners Of the Company expressed as percentage of total equity attributable to Owners Of The Company.
2 Profit/(Loss) attributable to Owners Of the Company expressed as percentage of Total Assets.

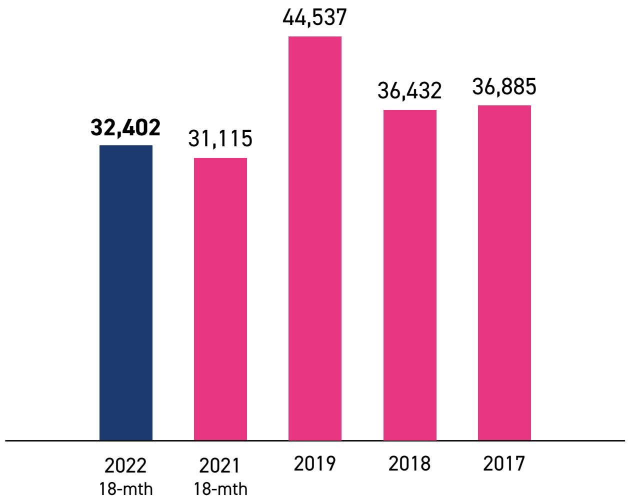
REVENUE (RM'000)



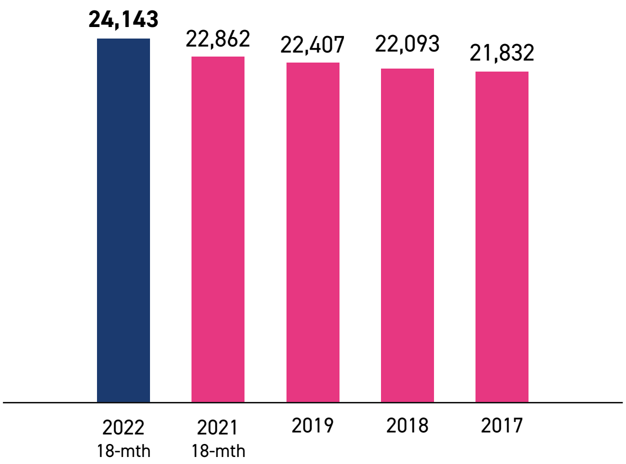
PROFIT OR LOSS AFTER TAX (RM'000)



TOTAL ASSETS (RM'000)



EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM'000)



PROFILE OF THE
BOARD OF DIRECTORS

ADLIN BIN SHAHARUDIN
Aged 50, Male, Malaysian
Managing Director
Chairman of Board of Directors

Adlin graduated with a Bachelor of Accountancy with Honours Degree from University of Malaya in 1997.

Adlin began his career with KPMG Peat Marwick (Malaysia) and has since held various positions in a number of private companies in Malaysia, Indonesia and Singapore, providing him with experience in financing, plantation, engineering, manufacturing and telecommunication industries.

Adlin was appointed on the Board on 18 November 2014 as the Managing Director. Adlin does not hold any directorship in other public companies.

Adlin has deemed interest of 15,169,000 shares in the Company. He has no family relationship with other directors or major shareholders of PJBumi Berhad.

Adlin has no conflict of interest with PJBumi Berhad and has no convictions of offences within the past five (5) years except for traffic offences, if any.

He had attended all the 6 Board Meetings held during the financial year.

ABD RAHIM BIN EMBI
Aged 66, Male, Malaysian
Independent Non-Executive Director
Chairman of the Audit Committee
Member of the Remuneration Committee
Member of the Nominating Committee

Abd Rahim graduated with a Master of Business Administration in 1995 and Bachelor of Accounting Degree in 1982 from University Kebangsaan Malaysia. He is a member of the Malaysian Institute of Accountants.

Abd Rahim served almost thirteen years in various government agencies as an accountant and an internal auditor.

Abd Rahim was appointed on the Board on 18 September 2017 as an Independent Non-Executive Director.

Abd Rahim does not hold any directorship in other public companies.

Abd Rahim does not hold any shares in the Company and does not have any family relationship with other directors or major shareholders of PJBumi Berhad.

Abd Rahim has no conflict of interest with PJBumi Berhad and has no convictions of offences within the past five (5) years except for traffic offences, if any.

He had attended all the 5 out of 6 Board Meetings held during the financial year.

AHMAD BIN MD DAUD
Aged 69, Male, Malaysian
Independent Non-Executive Director
Chairman of the Remuneration Committee
Member of the Audit Committee
Member of the Nominating Committee

Ahmad graduated with a Master of Business Administration in 2000 and Diploma in Electrical and Electronic Engineering in 1976 both from University Technology Mara, Malaysia.

Ahmad begun his career with a multinational corporation and thereafter he served in various management position in local companies.

Ahmad was appointed on the Board on 8 February 2013 as an Independent Non-Executive Director.

Ahmad does not hold any directorship in other public companies.

Ahmad does not hold any shares in the Company and does not have any family relationship with other directors or major shareholders of PJBumi Berhad.

Ahmad has no conflict of interest with PJBumi Berhad and has no convictions of offences within the past five (5) years except for traffic offences, if any.

He had attended all the 6 Board Meetings held during the financial year.

NIK MD NOR SUHAIMI BIN NIK IBRAHIM

Aged 66, Male, Malaysian
Independent Non-Executive Director
Chairman of the Nominating Committee
Member of Audit Committee
Member of the Remuneration Committee

Nik graduated with a Bachelor of Science majoring in Finance from Northern Illinois University, DeKalb, Illinois, United States of America in 1982 and Diploma in Banking Studies from University Technology Mara, Malaysia in 1978.

Nik began his career with a Financial Institution in Malaysia where he served in various management positions.

Nik was appointed on the Board on 26 April 2013 as an Independent Non-Executive Director.

Nik does not hold any directorship in other public companies.

Nik does not hold any shares in the Company and does not have any family relationship with other directors or major shareholders of PJBumi Berhad.

Nik has no conflict of interest with PJBumi Berhad and has no convictions of offences within the past five (5) years except for traffic offences, if any.

He had attended all the 5 out of 6 Board Meetings held during the financial year.

DATIN FLORA REMEO

Aged 50, Female, Malaysian
Independent Non-Executive Director
Member of Audit Committee
Member of the Remuneration Committee
Member of the Nominating Committee

Datin Flora graduated with a BA (Hons) in Law with Business Studies from University of Middlesex, London, United Kingdom in 1996 and also obtained Translation Certificate (Excellent) and General Editing Certificate from National Translation Institute of Malaysia in 2009.

Datin Flora began her career as legal officer in 1997 and thereafter she served in management position in various companies.

Datin Flora is currently an Executive Director in Yasaar Capital Sdn Bhd as well as Head of Partnership and Government Relation in DUET Global Sdn Bhd.

Datin Flora was appointed on the Board on 1 April 2023 as an Independent Non-Executive Director.

Datin Flora does not hold any directorship in other public companies.

Datin Flora does not hold any shares in the Company and does not have any family relationship with other directors or major shareholders of PJBumi Berhad.

Datin Flora has no conflict of interest with PJBumi Berhad and has no convictions of offences within the past five (5) years except for traffic offences, if any.

SENIOR MANAGEMENT'S **PROFILE**

AMIR BIN AWANG HAMAD
Aged 63, Male, Malaysian
Group Chief Operation Officer

Amir graduated with a Bachelor of Business Administration with Honours Degree from University Technology Mara, Malaysia in 1983.

Amir has 25 years of experience in sales operation, manufacturing operation and project management in various industries.

Amir was appointed as the Group Chief Operating Officer of PJBumI Berhad on January 2016.

Amir does not hold any directorship in any listed issuers or public companies.

ARYATI BT AHMAD
Aged 48, Female, Malaysian
Group General Manager Finance

Aryati graduated with Higher National Diploma in Business Finance in 1997 and a Bachelor of Business Administration and Commerce from De Montfort University, United Kingdom in 1998.

Aryati has over 20 years of working experience and has held various finance roles.

Aryati was appointed as the Group General Manager Finance of PJBumI Berhad on April 2015.

Aryati does not hold any directorship in any listed issuers or public companies.

CHAIRMAN'S **STATEMENT**

ADLIN BIN SHAHARUDIN
Chairman/Managing Director

ON BEHALF OF THE BOARD OF DIRECTORS OF PJBUMI BERHAD ('PJBUMI' OR 'THE GROUP'), IT GIVES ME A GREAT PLEASURE AND PRIVILEGE TO PRESENT THE 18TH ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF PJBUMI FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022.

DEAR VALUED SHAREHOLDERS

Overall, 2022 was a challenging year despite the easing of COVID-19 restrictions and the subsequent reopening of most major economies around the world. Recovery had been generally tepid due to the scaling down of business operations and geopolitical tensions that further exacerbated the slowdown.

Following the World Economic Outlook published by the International Monetary Fund ("IMF") in October 2022, the growth of global gross domestic product ("GDP") and trade volume was forecasted to decline to 3.2% and 4.3% respectively while Malaysia's GDP was projected to expand by 5.4% in 2022.

Back home, the Malaysian economy was not spared. After a rebound in the first half of 2022, a slowdown ensued in the second half. Although most business operations had returned to pre-pandemic level, economic recovery among Malaysian household was still slow. Most households were affected by economic headwinds in the form of rising inflation, volatile commodity prices and scarcity in supplies.

The Group however remains positive and vigilant in monitoring and controlling costs to ensure the profitability of any ventures. For the coming year, the Group will continue to pursue its medium and long term strategies of strengthening its domestic footprint, growing its revenue base and continue pursuing its regional business agenda.

FUTURE PROSPECTS

Looking forward, IMF forecast global GDP to grow by 2.7% while global trade volume expands by 2.5% in 2023. On the home front, MoF forecast Malaysia's GDP growth to moderate between 4% to 5% driven by domestic demand and a host of other factors such as support for cost of living and mitigation of downside risk due to geopolitical uncertainties, global inflation and tightening financial conditions. Despite a fairly positive outlook, we are highly cognizant of the potential headwinds in the economic and financial climate as many anticipate a decline in demand.

Premised on the above and as the new fiscal year gets underway, we are excited of what lies ahead for us and are cautiously optimistic of the Group's financial performance and prospect in the foreseeable future as we focus on strengthening our fundamentals to create a resilient business in overcoming the challenges.

OPERATING RESULTS

The Group has changed its financial year from 30 June 2021 to 31 December 2022.

The Group posted revenue of RM12,290 million for 18 months financial period compared to RM17,888 million achieved in the preceding year of 18 month period. The revenue reduction of RM5,598 million compared to the preceding year were mainly due to lower demand for from Engineering, Construction and Trading divisions.

The Group's net profit after tax for the year stood at RM1,252 million compared to RM0.443 million in the preceding year.

DIVIDEND

During the Financial Period under review, the Board has decided not to propose any dividend. (2021 – Nil)

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I would like to take this opportunity to express my heartfelt gratitude and appreciation to our valued shareholders, customers and clients, bankers, government departments and agencies, vendors, suppliers and all other parties who have stood by us and journeyed with us through these unprecedented times. While the year presented many challenges to the Group and the industry as a whole, we have resiliently pulled through it with your continued support.

To all our management team and employees of our subsidiaries, we recognize your resilience, dedication and worthy effort as the driving force behind our progress and we are truly grateful for your hard work.

Above all, to my fellow directors, allow me to express my greatest gratitude for your counsel and guidance during the challenging period.

Moving forward, although economic conditions are improving, the outlook remains uncertain. Despite the uncertainties, PJBUMI remains steadfast in our goal of creating sustainable value. I look forward to the continuing support of our stakeholders as we remain committed towards generating greater value for all. Thank you.

MANAGEMENT DISCUSSION
AND ANALYSIS

OVERVIEW OF BUSINESS

PJBUMI was incorporated in Malaysia on 2nd July 1985 and has been listed on the Main Market of Bursa Malaysia Securities Berhad ("Main Market") since 14 August 2003.

Since its inception, PJBUMI and its subsidiaries ("the Group") has established more than 20 years track records as an engineering, construction, industrial servicer, trading and manufacturing companies in both local and global market.

As part of our long-term plan to mitigate the risk of sole dependency on existing business segment, we have also ventured into Industrial IT Digitalization and energy business. This strategy has diversified and expanded our revenue stream in the pursuit towards growth and maximizing our shareholders' value.

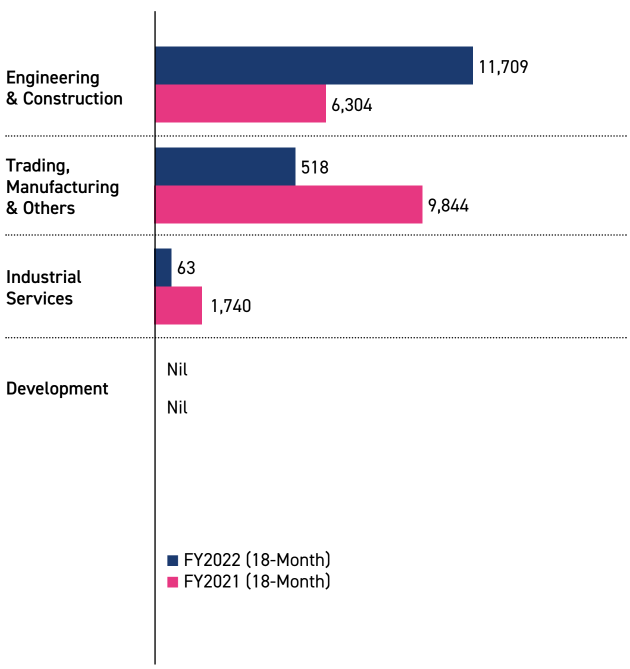
REVIEW OF GROUP FINANCIAL RESULTS

RM12.29 MILLION | REVENUE DOWN BY **31%**

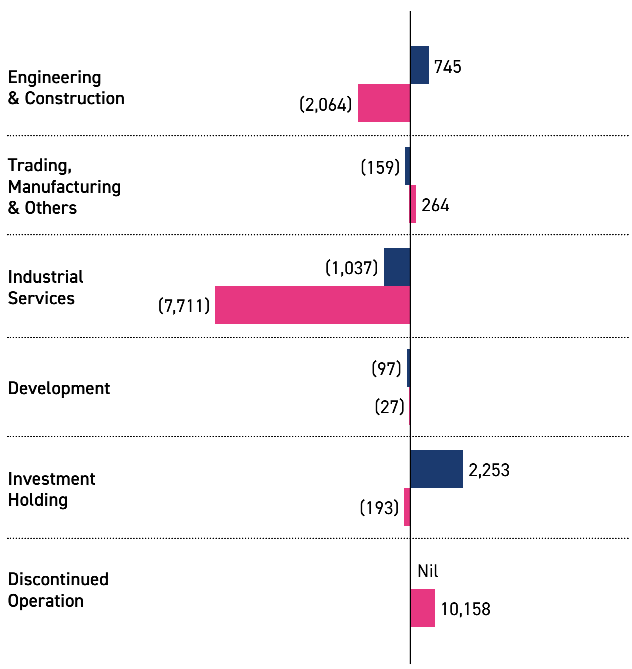
RM1.25 MILLION | PROFIT AFTER TAX UP BY **183%**

REVIEW OF CORE DIVISIONS OPERATIONAL AND FINANCIAL

Revenue of Core Divisions (RM'000)



Profit/(Loss) Before Tax of Core Divisions (RM'000)



REVIEW OF CORE DIVISIONS OPERATIONAL AND FINANCIAL (CONT'D)

During the financial period under review, the Group recorded revenue of RM12.290 million, a decline of RM5.598 million (31%) year on year ("YoY") of 18-months period compared to RM17.888 million for financial period ended 30 June 2021 ("FPE2021"). This was primarily attributed to a fall in billings from Construction, Engineering and manufacturing divisions.

Despite a challenging operating environment due to supply chain disruption and lower demand, our core segment, Engineering & Construction continues to be the leading contributor towards the Group's revenue, ranking in RM11.709 million (95%) followed by Trading, Manufacturing and marketing services division at RM0.518 million (4%).

In terms of profitability, the Group recorded a profit before tax of RM1.705 million, RM1.278 million (299%) higher YoY mainly due to gain on fair value of investment properties of RM2.371 million. At the segment level, our core Engineering & Construction growth in profit is largely attributed to higher revenue driven by stronger demands for composite flat plates.

RM32.40 MILLION | GROUP'S TOTAL ASSETS INCREASED BY **RM1.28 MILLION**

Financial position and liquidity

Total equity attributable to shareholders grew slightly from RM22.86 million to RM24.14 million as at 31 December 2022. The Group's treasury shares stand at 82 million shares at a cost of RM0.50. Net asset per share stood at RM0.29

Total assets of the Group increased by RM1.28 million to RM32.40 million at the end of FPE2022 due to gain on fair value of investment properties. There was a minimal increment in total liabilities at RM8.07 million in FPE2022.

The Group has no borrowings in FPE2022.

CORE DIVISIONS OVERVIEW

DIGITAL, ENERGY, ENGINEERING & CONSTRUCTION ("DEEC")

PJBumi's Digital, Energy, Engineering & Construction Division provides comprehensive digitalization, civil, electrical and mechanical engineering works and solutions for marine, oil and gas, renewal energy, waste and property sectors. It is the primary segment of the Group.

In 2022, this segment concentrates on completion of the existing book and execute several preventive maintenance and related services.

This segment reported revenue in financial period ended 31 December 2022 ("FPE2022") of RM11.709 million as compare to RM6.304 million in FPE2021. The increase of RM5.405 million revenue was mainly due to higher demand in composite flat plate and handing over of previous years project.

In mid 2022, this segment has diversified into IT Digitalization in oil and gas sector. The outlook for this segment remains stable and expected to expand in the near future driven by potential market demand in related industries.

Moving forward, the Group plans to participate in government infrastructure development project, marine and oil & gas related projects in Malaysia and neighbouring countries.

TRADING, MANUFACTURING & OTHERS

PJBumi's Trading, Manufacturing & Other Division primarily include the trading of commodities, sales & marketing agents, manufacturing of industrial and construction materials and investment division.

Amongst the main activities of these divisions in FPE2022 are:-

- The sales & marketing agents for financial product; and
- The manufacturing and fabrication of composite or advance material products for the engineering and construction division.

In 2022, the sales & marketing of financial product successfully secured and delivered the product to 201 customers. The Manufacturing segment continues to supply internally to the engineering & construction division in various Industrial Design work.

The reported revenue for Trading, Manufacturing & Other segments for FPE2022 is RM0.93 million as compare to RM9.84 million in FPE2021. The reduction in revenue by RM8.91 million or 91% mainly due to our manufacturing arms were concentrating more on internal production for Engineering & Construction division. This segment however reported a pretax loss of RM0.159 million in FPE2022 against pretax profit of RM0.264 million in FPE2021.

CORE DIVISIONS OVERVIEW (CONT'D)

TRADING, MANUFACTURING & OTHERS (CONT'D)

The Marketing segment portfolio has grown steadily as this segment is expanding its sub agent throughout Malaysia to market and offer consumer credit products to eligible customers.

The Manufacturing segment outlook remains moderate, as demand and application for alternative light weight, durable and lower maintenance cost products is expected to steadily increase over years. This segment currently focused on delivering for internal demand within the Group. The Group shall continue to pursue the opportunities to manufacture advance material for industrial application.

INDUSTRIAL SERVICES

PJBumi's Industrial Services Division mainly provides services related to collection and recycling of waste from retailers and small industrial sectors.

The Industrial Services Division posted lower revenue in FPE2022 at RM0.63 million as compare to RM1.740 million in FPE2021. The declining of revenue in FPE2022 were mainly due to impact of the covid-19 pendamic which led to lower demand and permanent closure of existing clients

The waste and environmental segment outlook remain moderate. Moving forward, the Group plans to penetrate into carbon credit trading and partnering with established technology providers to reduce, reuse and recycle large industrial and agriculture waste.

DEVELOPMENT

PJBumi's Development Division is involved in the development and sales of residential, commercial and industrial properties. Under a Master Development Agreement with Felda, Goldix Resources Sdn Bhd, a 70% owned subsidiary of PJBUMI, has an Irrevocable Power of Attorney on a total of 244 acres of land bank in Serting, Negeri Sembilan to be develop with residential and commercial properties, with the present estimated Gross Development Value ("GDV") of approximately RM600 million. There is no revenue generation from this development and the client had uplifted the land title. The development order is expected to be submitted for the authority's approval by end of 2023.

The Group had commenced the Development Order application for development of its existing 4.6 acres industrial land in Sg. Petani into semi-D medium industrial factories with estimated GDV of RM42 million.

The Development segment remains moderate as the Group continues to seek opportunities to develop integrated development with new modern minimalist designs and concepts.

SUSTAINABILITY **STATEMENT**

PJBUMI Group's current primary focus is in Digitalization, Energy, Engineering & Construction ("DEEC"), Industrial services ("IS"), Environmental Management ("EM"), Trading and manufacturing sectors. As an engineering-based Company, PJBUMI recognizes the importance of sustainability as a critical driver for the long-term business sustainable growth of PJBUMI and its subsidiaries ("the Group"). As such, the Board of Directors ("Board") and the management persistently reinforce embedding sustainability into our business strategies and operations to achieve the Group's goals and continue to provide values and benefits to all humanity.

The Group and the Company had changed the financial year end from 30 June to 31 December. The scope of this statement covers the period from 1 July 2021 to 31 December 2022 for a period of 18 months. All information in the Report is disclosed from the Group level and follows the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements relating to Sustainability Statement in Annual Reports.

In 2022, we continue to emphasize that our sustainability approach must comply with all relevant regulations and legislation and being sustainable is part of our business decision making process especially in our risk management planning. In a follow-up to our previous statement, we continue to place great emphasis on incorporating economic, environmental and social ("EES") into our day-to-day operations.

OUR COMMITMENT

As a responsible corporate citizen, the Group shall endeavour to undertake sustainable and responsible practices to add value to sustainable business growth, environmental stewardship and social responsibility.

1. SUSTAINABILITY CORPORATE GOVERNANCE STRUCTURE

At PJBUMI, we drive our businesses to create positive impact and shared value for our stakeholders. Sustainability is embedded in our organisational approach and is led from the top. The Board of Directors ("The Board") play a vital guidance and oversight role in advancing sustainability across the organisation with the coorporation from Risk Management Operation Group ("RMOG") to oversee the implementation of the organisation's sustainability approach and ensure that key targets are being met.

The Board also acknowledges that risk management and internal controls are integral to our corporate governance and the risk management framework and internal control systems come under the purview of the Board Executive Committee ("BEC"). Since there are overlaps between corporate governance, risk management and sustainability, the Board of Directors has delegated the implementation of Sustainability Management to the BEC and RMOG. The BEC, comprising GMD and two other independent directors, led by GMD together with the RMOG comprising of Head of Departments within the Group, is responsible for implementing, overseeing and addressing all sustainability related issues from the various stakeholders and updating the Board on the Group's sustainability management performance, key material issues identified by stakeholders, and planned follow-up measures.

Safety and health issues are managed by RMOG in the respective project. The Company also has in place an Audit Committee which oversees risk policies, profiles and registers and is assisted by the Internal Auditor.

The Board will consider setting up its own Sustainability Committee at a later stage.

2. OUR STAKEHOLDERS AND HOW WE ENGAGE WITH THEM

The Group recognises that transparency promotes accountability and ensures that matters pertaining to stakeholders are approached with an emphasis on openness, ethical conduct, as well as operational and economic responsibility.

We constantly engage with various groups of stakeholders to update them on our current and latest sustainability initiatives, and most importantly, obtain their feedback on how we can create a win-win-win situation for us, them and the economic, environmental and social ("EES") aspects around us. At PJBUMI, we understand and appreciate the critical role that each stakeholder contributes to our long term strategy and success.

Stakeholders' engagement is vital for the success of our business. They play an important role in providing solutions to our daily challenges and projected growth amid the various issues we face in the global economy. Details of our main stakeholder engagagement are summarised in the table below:

STAKEHOLDER GROUP	AREAS OF CONCERN	ENGAGEMENT CHANNELS	FREQUENCY	OUR GOALS
Investors and Shareholders	• Financial / Business performance review • Operation in compliance with relevant laws and regulations • Shareholder value (dividend and capital gain) • Strategic plans for sustainable growth	• Annual / Extraordinary General Meeting • Annual Report • Investor presentations and meetings • Interim and Audited Financial statements and Bursa Malaysia Public Announcements • Corporate website	Quarterly/ Annually/ On-going	• To provide reliable and up-to-date disclosures on PJBUMI's material information. • To maximise the shareholders' relationship with PJBUMI.

STAKEHOLDER GROUP	AREAS OF CONCERN	ENGAGEMENT CHANNELS	FREQUENCY	OUR GOALS
Board of Directors	• Financial / Business performance review • Operation in compliance with relevant laws and regulations • Strategic plans for sustainable growth	• Board and Board Committee meetings • Ongoing meetings and interactions	Quarterly/ On-going	• To provide up-to-date disclosures on PJBUMI's material information on operation and financial position. • To maximise the Board of Directors' engagement with the Management.
Employees	• Fair compensation • Employee benefits • Equal employment • Safety and health • Performance review • Career development	• Team building outdoor activities • Performance appraisal • Induction Trainings • Technical and skill training • Employee handbook • Annual dinner • Corporate volunteering (CSR) programmes	On-going/ Annually	• To provide a safe and healthy workplace with good welfare and equal employment opportunities. • To reward and retain top performers and attract new talent.
Customers	• Sustaining long term relationship • Reliable product and services • Competitive pricing	• Customer Hotline • Website and social media • After sales service • Regular on-site visits and interactions	On-going	To enhance customer's loyalty and to build long-term sustainable relationships with customers.
Vendors and Suppliers	• Building and sustaining long-term relationship • Maintaining good payment schedule • Good business ethics	• Ethical practice • Transparent procurement process • Vendor audits • Supplier Performance Review	On-going/ Annually	To build a loyal and lasting relationship with suppliers.
Local Authorities and Regulators	• Compliance with relevant law, rules and regulations being imposed	• Bursa listing requirements • Operation regulations • Companies Act • Labour law • Taxations • Anti-Bribery and Corruption	On-going	To comply with all relevant law, rules and regulations.
Local Communities	• Sustainability and Corporate Social Responsibility ("CSR") programmes • Green Environment protection • Job opportunities	• Initiatives & partnerships with NGOs • Institution/ University internship programme • Corporate volunteering (CSR) programmes	On-going	To be a responsible corporate citizen.

3. SUSTAINABILITY RISKS AND RESPONSES

The Board understands the importance of addressing sustainability risks and opportunities in an integrated and strategic manner to support the Group's long-term strategy and success. The Board proactively considers sustainability issues when overseeing the planning, performance and long-term strategy of the Company, to ensure the Company remains resilient, is able to deliver durable and sustainable value as well as maintain the confident of its stakeholders.

RISK	RISK ANALYSIS	RISK MITIGATION
Market Competition	Since the Covid-19 outbreak, the Group faces more challenges and competition from both new entrants and existing players in the industry. Increased competition could result in revenue erosion and loss of market share.	The Group strives to keep up with the needs of current and new consumers. We had expanded the business to other areas like energy, digital and marketing services.
Public Health Emergencies	The Covid-19 outbreak in early 2020 had impacted severely on public health and many business are still recovering. The economy uncertainty brought by COVID-19 continues to cloud the growth of Malaysia's economy. How to respond to public health emergencies reflects how capable an enterprise is to manage and operate in such situations. If an enterprise lacks management capabilities and there are no complete safety management structure and emergency procedures and measures, it cannot stabilise the operation to face emergencies.	Throughout FPE2022, the Group continued to implement strict safety measures and SOPs to ensure that everyone could return to work safely. We ensured our employees are fully vaccinated and encourage all our employees complete their booster doses. We also provided self-test kits to our employees as we continue to be vigilant and encourage adherence to SOPs, while providing a safe workplace for our employees.
Employee Engagement	It is very challenging for an entity in transforming staff to evolving needs and supporting employment with limited resources without compromise. In terms of workplace wellness, expectation on work- life balance and workplace health and safety are even higher after the pandemic.	The Group continues to cultivate a high-performance culture and nurture a vibrant and diverse workforce with robust training and succession plan.

4. MATERIALITY ASSESSMENT

PJBUMI has identified sustainability matters which are considered material to our operations. The material sustainability matters are managed and categorised into three (3) as follows: -

- Economic;
- Environmental; and
- Social.

ECONOMIC

Supply Chain Management

PJBUMI, in order to contribute to the local economy, we always promote purchasing from local suppliers who have been providing quality products and good services. Throughout FPE2022, we purchased and engaged 100% from local suppliers and we are committed to continue sourcing our materials locally.

We believe that collaboration with sustainable and responsible suppliers and sub-contractors is the way forward to gain a competitive edge in the global marketplace. All suppliers and sub-contractors must abide by ethical procurement standards and principles stipulated in PJBUMI's procurement policies. We perform stringent assessments and evaluations of suppliers and sub-contractors before engaging them.

We also continue to work closely with our partners to communicate our product and services needs so that they meet the expectations of the Group. PJBUMI maintains a healthy and long-term relationship with our suppliers and sub-contractors. PJBUMI believes that an effective supply chain management ensures competitive rates, quality over control, and better customer relationships. The unprecedented COVID-19 pandemic has resulted in various challenges to the business environment globally. PJBUMI took several precautions to minimize business disruption and supply chain challenges to mitigate the overall Group business activities' impact.

Anti-Bribery and Anti-Corruption Policies

The Group are fully committed to conducting its business with integrity, transparency and based upon ethical best practices and principles. PJBUMI views bribery and corruption as a significant risk to our business and reputation. The Board of Directors had adopted Anti-Bribery and Anti-Corruption policies to facilitate the development of controls, which will help detect and prevent bribery and corruption against PJBUMI. We strictly does not compromise on any form of bribes given to obtain or retain business advantages for PJBUMI. Employees abide by this practice even if such refusal to offering or receiving of bribes may result in the Group losing its business or not meeting its targets.

The Company will carry out the necessary investigation regardless of to the suspected wrongdoer's length of service, position/title, or relationship to the Company. All suspicious fraudulent activities or other suspected improper conducts reported by an individual are to be directed to the Senior Management personnel/Managing Director, Independent and Non-Executive Director, or his designate immediately.

The Anti-Bribery and Corruption Policies are reviewed and revised as required to determine its effectiveness in addressing potential fraud and corruption risks. The Policies are available on the PJBUMI's website at www.pjbumi.com.my.

ENVIRONMENTAL

Waste Management

With more than 25 years of managing waste, we believe that all of us can improve environmental sustainability, at least incrementally and sometimes in transformative ways. Every positive action, no matter how small, can be the first step to creating a positive cycle of sustainability. Whether through creating targeted employee green teams, committing to establishing more eco-friendly supply chains, or developing best practices for reducing harmful or excessive wastes, companies that promote environmental sustainability as a corporate citizenship imperative can become leaders in the movement to create a sustainable planet, society, and economy for future generations.

Our employees are required to wear safety hand gloves when they are working in production plants to prevent injuries from chemical exposures. As we recognise the benefits of recycling to reduce our solid waste streams, PJBUMI encourages our employees to recycle and reuse cotton gloves. We also encourage our employees to reduce paper consumption through some simple ways such as double-sided printing, reusing papers and envelopes, and conducting paperless training and meeting.

Energy Savings Management

The Group is committed to reducing our energy consumption with the objectives of resource conservation, climate protection, and cost savings.

As part of our efforts to create awareness and inculcate the culture and behaviour of energy conservation among our employees, we encourage them to switch off office lights and air conditioning during lunch breaks and non-office hours to avoid wastage.

SOCIAL

Safe workplace

The Group believes that the safety and well-being of its employees are the foundation of its success. Hence, we strive to provide a safe and healthy environment for our employees and to ensure safe practices in all aspects of our business operations.

Since the COVID-19 outbreak had affected all areas of business, it has become a social responsibility for PJBUMI Group to act accordingly. It is our Group's immediate priority to protect the health and safety of our employees. We continue practicing social distancing with at least one metre and enhance cleaning measures such as more regular cleaning of common touchpoints. Our employees are fully vaccinated and we encourage all our employees complete their booster doses.

The Group continue to strive building a high-energy team while navigating the storms of change. We encourage virtual meeting platform as our new means of engagement with our employees to minimise physical meeting.

Labour Practices

We are committed to provide and respect fundamental human rights and safeguard against violation of human rights. We practice anti-discriminatory and anti-harassment at workplace, one that is safe and healthy and above all, ethical in conduct. Employees are not restricted from unionising and are afforded the freedom of association per local laws and practice.

In addition to this, all employee benefits provided by the Group is according to statutory requirements. Remuneration packages, while strictly private and confidential, are determined upon the employees' experience, expertise, qualifications and job grade.

Employee Engagement

For many years, we have recognised the importance of engaging with our workforce. Employees' engagement is important to an organisation because it motivates employees to do their best. We consider effective engagement a key element of the Company's ability to create value as we recognise that our people are our greatest asset. Management regularly engages with the workforce through a range of activities such as employee retreat, bowling tournaments, festive celebrations, birthday celebration etc.

Diversity and Inclusion

Diversity refers to the differences in workforce by gender, age, ethnicity and disability. This measure is considered across the Board, from the Directors to the Management and the rest of the workforce.

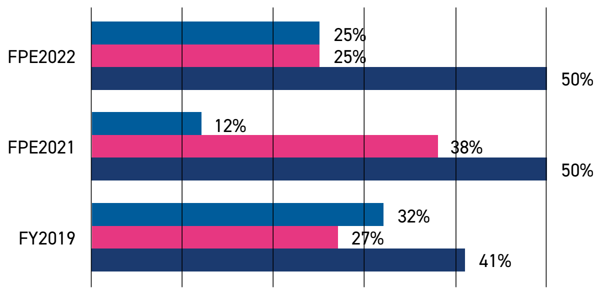
In the appointment and recruitment process, we provide equal opportunities and continuously seek to promote it regardless of religious belief, age, marital status, gender, family status or any disability. Our commitment in that respect applies to all areas of the working environment, all employment activities, resource allocation and all employment terms and conditions. Every employee is given an equal opportunity to rise up in their careers through hard work and dedication.

In terms of age demographics, our mix of employees at different age groups has remained fairly constant over a number of years. However, we believe in investing and giving the younger generation a chance to contribute to the success of our long-term growth.

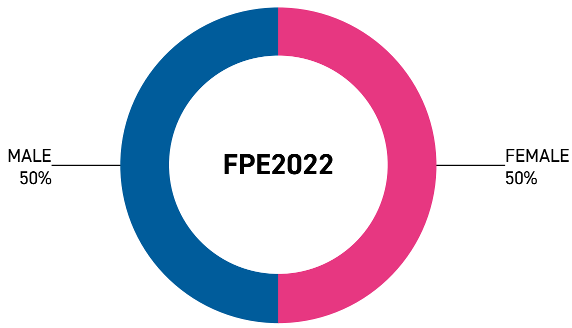
The Directors are cognisant of the ongoing initiative to have a female representation in the boardroom and the Company had appointed a female director to join the Board on 1st April 2023.

As at 31 December 2022, we still kept to a minimum workforce of 16 permanent employees. Employees aged between 46 and above made up 50% of our workforce, followed by those aged 36-45 (25% of our workforce) and those aged 24-35 (25% of our workforce). Overall, the male to female ratio of employees stood at 50:50. The following charts depict the composition of the Group's human capital in FPE2022.

EMPLOYEE BREAKDOWN BY AGE GROUP



EMPLOYEE BREAKDOWN BY AGE GROUP



Community Engagement

At PJBUMI we are deeply rooted in the community we operate. We engage in community outreach programmes and activities. We are proud of having the privilege to serve various segments of the community towards providing for social empowerment and helping to make a positive difference for unfortunate people. As our way of giving back to society, we have from time to time made donations, programmes and trainings to various charitable organization and helping the less fortunate members of our community.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

The Board of Directors of PJBumi Berhad ("PJBumi" or "the Company") is committed to cultivating a responsible organisation by instilling corporate conscience through excellence in Corporate Governance ("CG") standards at all times. This includes accountability and transparency which is observed throughout the Group as a fundamental part of building a sustainable business and discharging its responsibilities to protect and enhance shareholder value and the financial performance of the Group. The Board is pleased to provide an overview of the application of the principles set out in the Malaysia Code on Corporate Governance 2021 ("MCCG" or "the Code").

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

1.0 Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

The Board has the overall responsibility to protect and enhance shareholders' value. The Board is explicitly responsible, amongst others, for establishing and communicating the strategic plan and overseeing the proper conduct of the Group's businesses, and for supervising its affairs to ensure its success within a framework of acceptable risks and effective control and in compliance with relevant laws, regulations, guidelines and directives in the countries which it operates in.

The Board delegates and confers some of its authorities and discretion to the Chairman/Managing Director ("MD") and Management as well as on properly constituted Board Committees comprising mainly/exclusively Non-Executive Directors.

The Board believes that for its current size, it is more expedient for the two (2) roles to be held by the same person as long as there is pertinent check balance to ensure no one person in the Board has unfettered powers to make major decision for the Company.

As such the Board is of the view that the significant contribution of Independent Non-Executive Directors which is made up of 80% of the current Board's size, provides for the relevant checks and balance.

The Chairman is responsible for the Group's future business and strategy plan, setting goal to achieve the mission and vision. He provides leadership and governance of the Board, ensuring its effectiveness and assumes the formal role as the leader in chairing all Board meetings and shareholders' meetings. He leads the Board in overseeing Management and principally ensures that the Board fulfils its obligations and as required under the relevant legislations.

Some of the specific responsibilities of the Chairman include: -

i. Manage Board meetings and boardroom dynamics by promoting a culture of openness and debate where Directors are encouraged to provide their views;
ii. Work closely with the Executive Directors to ensure provision of accurate, timely and clear information to facilitate the Board to perform effectively, able to make informed decisions and to monitor the effective implementation of the Board's decisions;
iii. To provide his view and decision objectively;
iv. Ensure meetings of the shareholders are conducted in an open and proper manner with appropriate opportunity for them to ask questions; and
v. As Group's official spokesperson.

The duties of MD include implementation of decisions and policies approved by Board, overseeing and running the Group's day to day business, and also coordinating business and strategic decisions.

The role of Management is to support the MD and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

The Board Committees include the Audit Committee, Nominating Committee and Remuneration Committee. The Board Committees exercise transparency and full disclosure in their proceedings. Where necessary, issues deliberated by the Board Committees are presented to the Board with appropriate recommendations.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD RESPONSIBILITIES (CONT'D)

1.0 Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company. (cont'd)

The Non-Executive Directors are independent from Management. Their roles are to provide a balance view, to constructively challenge Management and monitor the success of Management in delivering the approved targets and business plans within the risk appetite set by the Board. They have direct access to the Management at all levels, and they engage with the external and internal auditors to address matters concerning Management and oversight of the Company's business and operations.

The Board assumes the following key responsibilities:

- Reviewing and adopting the Company's strategic plans
- Overseeing the conduct of the Company's business
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures
- Succession planning
- Overseeing the development and implementation of a shareholder communications policy for the Company
- Reviewing the adequacy and the integrity of the management information and internal controls system of the Company.

The Board is mindful of the importance of business sustainability and, in conducting the Group's business, the impact on the environmental, social, health and safety, staff welfare and governance aspects are taken into consideration. The Board takes heed of go green and energy saving by implementing several measures on sustainability.

Uphold Integrity in Financial Reporting

The Board is responsible for ensuring that financial statements prepared for each financial year give a true and fair view of the Group's state of affairs. The Directors took due care and reasonable steps to ensure that requirements of accounting standards were fully met. Quarterly financial statements were reviewed by the Audit Committee and approved by the Board of Directors prior to their release to Bursa Malaysia Securities Berhad ("Bursa Securities").

In preparing the financial statements of the Group and of the Company for the financial period ended 31 December 2022, the Directors of the Company have: -

- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- ensured applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors are responsible to ensure that the Group and the Company maintain proper accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company, which enable them to ensure that the financial statements comply with the Companies Act 2016.

The Directors are satisfied that in preparing the financial statements of the Group and of the Company for the financial period ended 31 December 2022, the Group has adopted appropriate accounting policies and applied them consistently, prudently and reasonably.

The Directors are also of the view that relevant approved accounting standards have been followed in the preparation of these financial statements.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD RESPONSIBILITIES (CONT'D)

1.0 Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company. (cont'd)

Qualified and competent Company Secretary

The Directors have the unrestricted access to the advice and services of the Company Secretary to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretary on new regulatory requirements and directives from time to time.

The Company Secretary is a qualified Chartered Secretary, under the prescribed body as permitted by Companies Act 2016. The appointment and removal of the Company Secretary is under the purview of the Board of Directors.

Access to information and advice

The Directors have full and unrestricted access to all information pertaining to the Company's business and affairs so as to enable them to discharge their responsibilities. Prior to the Board meetings, the Directors are provided with the agenda together with the Board papers on issues to be discussed. A record of the Board's deliberation of issues discussed and conclusion reached are recorded in the minutes of the meeting by the company secretary. After the meeting, the minutes are circulated to the Board and Board Committee members in a timely manner.

The Board, whether as a full Board or in their individual capacity, has the right to engage independent professional advice, if necessary, at the Group's expense. In addition, all Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board meeting procedures and applicable rules and regulations are adhered to.

2.0 There is demarcation of responsibilities between the board, board committees and management. There is clarity in the authority of the board, its committees and individual directors.

Board Charter

The Board has formalised and uploaded its Board Charter in the website of the Company. The Board Charter sets out the Board roles and responsibilities. The Board Charter is periodically reviewed by the Board and changes made whenever necessary.

The Board Charter can be viewed at the Company's website at http://www.pjbumi.com.my/.

3.0 The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Directors' Code of Ethics and Whistleblowing Policy

The Board of Directors has conducted themselves in an ethical manner while executing their duties and functions and complied with the Company Directors' Code of Ethics recommended by the Companies Commission of Malaysia.

The said Code establishes a standard of ethical behaviour for the directors to uphold such as the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administrating the Company.

The Company has also adopted Whistleblowing policy to safeguard the Company's interest and also to protect the whistleblower's interest. The policy spells out the types of misconduct, malpractice and irregularity, and how the reporting and investigations will be carried out. The Company expects all employees to observe the policy in the conduct of day to day business.

The Directors' Code of Ethics and Whistleblowing Policy can be viewed at the Company's website at http://www.pjbumi.com.my/.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD RESPONSIBILITIES (CONT'D)

4.0 The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

One of the key responsibilities of the Board is to work with Management on sustainability. The Board is committed to regularly evaluate economic, environmental, social and governance issues and any other relevant external matters that may influence or affect the development of the business of the interests of the shareholders to ensure the Group's strategies promote sustainability.

The details in relation to the sustainability are set out in the Sustainability Statement in the Annual Report.

BOARD COMPOSITION

5.0 Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

The Board comprises of a Chairman/MD and four (4) Independent Non-Executive Directors ("INED"). The composition fulfils the requirements set out under the Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad where at least one third of the Board members are independent Directors. This ensures that minority shareholders' interest is adequately represented.

The Group is led by an effective Board which comprises members with skills from a diverse blend of professional backgrounds ranging from business, engineering, finance and accounting experience. The Board views its current composition encompasses a balance mix of skills and strength in qualities which are relevant to enable the Board to discharge its responsibilities in an effective and competent manner.

The Board Committees comprises of Audit Committee, Nominating Committee and Remuneration Committee. The Board Committees exercise transparency and full disclosure in their proceedings. Where necessary, issues deliberated by the Board Committees are presented to the Board with appropriate recommendations.

Independence is important for ensuring objectivity and fairness in the decision making. The independence of Directors is not only measured based on the criteria prescribed under the MMLR of Bursa Securities but inclusive of independent judgement, constructive decision, able to challenge Management decision analytically. The INEDs are required to declare that they will continue to bring independence and objective judgement to the Board during the review of Directors' independence as part of the annual assessment carried out by the Nominating Committee.

Practice 5.3 of the Code recommends that the tenure of an Independent Director should not exceed nine (9) years cumulatively. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the approval of shareholders at the Annual General Meeting ("AGM").

Notwithstanding that Encik Ahmad Bin Md Daud and Encik Nik Md Nor Suhaimi Bin Nik Ibrahim who have served on the Board for more than nine (9) years, the Board proposes to retain both of them as Independent Directors and will seek shareholders' approval through a two-tier voting process.

The Board will table a proposal to retain Encik Ahmad Bin Md Daud and Encik Nik Md Nor Suhaimi Bin Nik Ibrahim as Independent Directors for shareholders' approval at the upcoming AGM of the Company based on the following justifications:

a) They have met the criteria under the definition of Independent Director as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities;
b) They do not have any conflict of interest with the Company and have not been entering/are not expected to enter into contract(s) especially material contract(s) with the Company and or/its subsidiaries;
c) Their vast experience and expertise would enable them to provide independent judgement and invaluable contributions to the Board in their roles as Independent Non-Executive Directors;
d) They have been with the Company for more than nine (9) years and are familiar with the Company's business operations; and
e) They had actively participated in all Committee and Board's discussion and able to provide constructive opinions and acted in the best interest of the Company.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

5.0 Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights. (cont'd)

The Board holds the view that a Director's independence cannot be determined arbitrarily with reference to a set period of time. The Company benefits from the long service of both of them who possess an incumbent knowledge of the Company and the Group's activities and corporate history and have provided invaluable contributions to the Board in their role as Independent Directors. In fact, they have been bringing their independent and objective judgment to board deliberations and the decision making process.

Gender diversity remains an essential aspect of Board composition and the Board expects to take necessary steps to ensure compliance with the best practice as recommended by the Code. The Board have appointed a female director on 1 April 2023.

6.0 Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

The Nominating Committee ("NC") is responsible for identifying and recommending new nominees to our Board as well as committees of the Board. For new appointments to the Board, the NC shall consider diversity of skills, expertise, cultural background, age, gender and experience in evaluating the appointment of Directors. The Company believes in providing equal opportunity to all candidates based on merit.

In addition, the Nominating Committee assesses the effectiveness of the Board as a whole and the Board Committees, and also the contribution of each Director. The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations, roles and responsibilities of the Board, the Board Committee and the Chairman's role and responsibilities.

The Board, through the Nominating Committee, reviews periodically its required mix of skills and experience and other qualities, including core competencies, which Non-Executive Directors should bring to the Board. All assessments and evaluations carried out by the Nominating Committee in the discharge of all its functions are properly documented. This assessment is done on yearly basis.

The Nominating Committee is empowered by its terms of reference to carry out duties and responsibilities as follows:

a) To examine the size of the Board to ensure its effectiveness in discharging its duties and responsibilities, and ensure every Directors shall be subject to retirement at least once in every 3 years.
b) To review annually the Board's mix of skills and experience and other qualities including core competencies which Non-Executive Director should bring to the Board.
c) To recommend suitable continuing educational training to existing and new Directors.
d) To ensure an election of directors shall take place each year and that all directors shall retire from office once at least in each 3 years but shall be eligible for re-election.
e) To recommend to the Board, suitable candidates to fill the Board, Audit, Nominating, Remuneration and other Board Committees.

The Nominating Committee is satisfied with the current size of the Board and with the mix of qualifications, skills and experience among the Board members.

The Board also acknowledges the importance of diverse Board and Senior Management and take cognizance of the recommendation of the MCCG 2021 to have at least 30% female directors. Currently, there is 1 female Board member, which makes up to 20% of the Board. The Board views that workplace and Board diversity are important to facilitate the decision-making process by harnessing different insights and perspectives.

In the event of a vacancy in the Board, the Nominating Committee has been tasked by the Board to evaluates and matches the criteria of the candidates by taking into consideration of diversity, including gender, skills, talents, experience, expertise, time commitment, character and professionalism, where appropriate, and recommends to the Board for appointment.

The Board also aware of the guidance to utilise independent sources to identify suitably qualified candidates.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

6.0 Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors. (cont'd)

The members of the Nominating Committee who are Independent Non-Executive Directors are as follows: -

Name	Position
Nik Md Nor Suhaimi Bin Nik Ibrahim	Chairman
Ahmad Bin Md Daud	Member
Abd Rahim Bin Embi	Member
Datin Flora Remeo (Appointed on 1 April 2023)	Member

The Committee met once during the financial period.

FOSTER COMMITMENT

Time Commitment

All Board members are required to notify the Chairman or any new directorships notwithstanding that the Listing Requirements of Bursa Securities allows a Director to sit on the boards of 5 listed issuers. Such notification is expected to include an indication of time that will be spent on the new appointment. During the financial period ended 31 December 2022, the Board met 6 times to deliberate on a variety of matters of the Company. Additional meetings may be convened on an ad-hoc basis when urgent and important decisions are required to be made in between scheduled meeting.

The Board meeting attendance record of each director is as follows:

Name	Attendance
Adlin Bin Shaharudin (Chairman/MD)	6/6
Ahmad Bin Md Daud (Independent Non-Executive Director)	6/6
Nik Md Nor Suhaimi Bin Nik Ibrahim (Independent Non-Executive Director)	5/6
Abd Rahim Bin Embi (Independent Non-Executive Director)	5/6
Datin Flora Remeo* (Independent Non-Executive Director)	N/A

* Datin Flora Remeo was appointed as Independent Non-Executive Director of the Company on 1 April 2023, subsequent to the financial period ended 31 December 2022.

The agenda for each Board meeting and papers relating to the agenda items are circulated to all Directors at least 5 days before the meeting so as to provide sufficient time for the Directors to review the Board papers and seek clarification, if any.

Directors' training

All the directors, save for Datin Flora Remeo, have completed the Mandatory Accreditation Programme within the stipulated timeframe required in the Listing Requirements.

The Directors are aware of their obligation and will continue to attend suitable training to equip and enhance themselves with the knowledge to facilitate themselves in discharging their duties and responsibilities diligently with integrity.

During the financial year under review, the Director as stated below had participated in the following training programme:-

Name	Date	Training Attended
Abd Rahim Bin Embi	07 April 2022	Audit Oversight Board's Conversation with Audit Committees

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

6.0 Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors. (cont'd)

FOSTER COMMITMENT (CONT'D)

Re-election

Under Article 86 of the Company's Constitution, an election of Directors shall take place each year. At every annual general meeting of the Company one-third (1/3) of the Directors (including the Managing Director) or if their number is not a multiple or three, then the number nearest to one-third shall retire from office PROVIDED ALWAYS that all Directors shall retire from office at least once every three (3) years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election.

Based on the annual assessment conducted in respect of the Board, board committees and individual Directors, the Nominating Committee was satisfied with the existing Board composition and concluded that each Director has the requisite competence to serve on the Board and had sufficiently demonstrated their commitments to the Company in terms of time and participation during the financial year under review. Hence, the Nominating Committee had recommended the re-election of retiring Directors at the Company's forthcoming AGM to the Board for consideration and approval.

The election of each director is voted on separately. To assist shareholders in their decision, sufficient information such as personal profile, meetings attendance and their shareholdings in the Group of each Director standing for re-election are furnished in the Annual Report.

REMUNERATION

7.0 The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives. Remuneration policies and decisions are made through a transparent and independent process.

The Remuneration Committee ("RC") reviews and proposes, subject to the approval of the Board the remuneration policy and terms and conditions of service of each Director for his services as member of the Board as well as Committees of the Board. Nevertheless, the remuneration of Non-Executive Directors is a matter for the Board decision as a whole. Relevant directors are required to abstain from deliberation and voting decisions in respect of his individual remuneration. The remuneration of Directors is generally based on market conditions, responsibilities held and the overall financial performance of the Group. Decisions and recommendations by RC shall be reported to the Board for approval.

The members of the Remuneration Committee comprise of Independent Non-Executive Directors as follows: -

Name	Position
Ahmad Bin Md Daud	Chairman - Independent Non-Executive
Nik Md Nor Suhaimi Bin Nik Ibrahim	Member - Independent Non-Executive
Abd Rahim Bin Embi	Member - Independent Non-Executive
Datin Flora Remeo*	Member - Independent Non-Executive

The Committee met once during the financial year and was attended by all its members.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

REMUNERATION (CONT'D)

8.0 Stakeholders are able to assess whether the remuneration of directors and senior management commensurate with their individual performance, taking into consideration the company's performance.

Remuneration policy and procedures

The Directors' remuneration package is linked to the experience, scope of duty and responsibility, seniority, performance and industrial practices. The remuneration of Executive Directors consists of basic salary, among others bonus, whereas the Non-Executive Directors receive fixed director fees.

Details of the Directors' remuneration in aggregate for financial period ended 31 December 2022 are tabulated as below:

Company Level	Fees	Salary	Bonus	Benefit-in-kind	Total
Executive Director					
Adlin Bin Shaharudin	-	-	-	-	-
Independent Director					
Ahmad Bin Md Daud	-	-	-	-	-
Nik Md Nor Suhaimi Bin Nik Ibrahim	-	-	-	-	-
Abd Rahim Bin Embi	-	-	-	-	-

Group Level	Fees	Salary	Bonus	Benefit-in-kind	Total
Executive Director					
Adlin Bin Shaharudin	-	-	-	-	-
Independent Director					
Ahmad Bin Md Daud	-	-	-	-	-
Nik Md Nor Suhaimi Bin Nik Ibrahim	-	-	-	-	-
Abd Rahim Bin Embi	-	-	-	-	-

The above Directors' Remuneration disclosed was not applicable to Datin Flora Remeo, who was appointed as Independent Non-Executive Director of the Company on 1 April 2023, subsequent to the financial period ended 31 December 2022.

The Remuneration Committee reviews and recommends the Executive Directors' remuneration package by assessing their KPI and also refers to market of similar industry and size as a benchmark. An appropriate remuneration package is designed to retain and attract calibre directors to discharge their duty with integrity, to grow and lead the Company.

Details on the top two (2) Senior Management's remuneration in bands of RM50,000 are as follows:-

	Senior Management	
Range of Remuneration (RM)	Amir Bin Awang Hamad	Aryati Binti Ahmad
0 – 50,000	✓	-
50,001 – 100,000	-	-
100,001 – 150,000	-	-
150,001 – 200,000	-	✓

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

9.0 There is an effective and independent Audit Committee. The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

The Audit Committee ("AC") is relied upon by the Board to, amongst others, provide advice in the areas of financial reporting, external audit, internal control process, review of related party transactions as well as conflict of interest situations. The AC also undertakes to provide oversight on the risk management processes/ framework of the Group.

The AC is chaired by an Independent Director and consists of all Independent Directors. The AC has full access to both the internal and external auditors who, in turn, have access at all times to the Chairman of the AC.

The role of the AC and the number of meetings held during the financial year as well as the attendance record of each member are set out in the AC Report in the Annual Report.

The details of the Terms or Reference of the Audit Committee are available for reference at the Company's website.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

10.0 Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives. The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

The Board has overall responsibility for maintaining a sound system of internal control and risk management that provide a reasonable assurance of effective and efficient operations, and compliance with the relevant laws and regulations as well as with internal procedures and guidelines.

The Statement on Risk Management and Internal Control are disclosed in this Annual Report which provides an overview of the risk management and internal control framework adopted by the Company for the current financial year.

11.0 Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

In its efforts to strengthen the internal control within the Group, a number of preventive and corrective measures have been carried out and implemented throughout the financial year. The Group's internal audit function is performed by Encik Abd Aziz bin Ibrahim (AAI) who is appointed by the Board to assist the Board and Audit Committee in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system.

With the engagement, the Internal Auditors have disclosed that they are free from any relationships or conflicts of interest, which could impair their objectivity and independence of the internal audit function. The Internal Auditors do not have any direct operational responsibility or authority over any of the activities audited. The Audit Committee is of the opinion that the internal audit function is effective and able to function independently.

The Internal Auditors reviewed and addressed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the Group and recommended possible improvements to internal control processes. This is to provide reasonable assurance that such systems continue to operate satisfactorily and effectively within the Group.

The Statement on Risk Management and Internal Control as included in the Annual Report provides an overview on the state of internal controls within the Group, in an effort to manage and mitigate risks.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

ENGAGEMENT WITH STAKEHOLDERS

12.0 There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations. Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

The Company values dialogues with the investors and is constantly striving to improve the communication with the public. The Board believes that an effective investor relation is essential in enhancing shareholders' value and therefore ensures that shareholders are kept well informed of major development of the Company. Such information is disseminated via the Company's Annual Report, various disclosures and announcements to Bursa Securities and the Company's website.

The AGM is the principal forum for dialogue between the Company and the shareholders. The Board provides the opportunity for shareholders to raise questions pertaining to issues in the financial performance and business plan of the Group. The Board takes the opportunity to present a comprehensive review of the progress and performance of the Company and provides answers to the questions raised by the shareholders during the general meeting.

CONDUCT OF GENERAL MEETINGS

13.0 Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at general meetings.

Shareholders are entitled to appoint representatives or proxy/proxies/Chairman to vote on their behalf in their absence.

The Group is of the view that General Meetings are important platforms to engage with its shareholders as well as to address their concerns. The Group encourage shareholders to attend and participate in the AGM by providing adequate advance notice and holding the AGM at a readily accessible location. The location of the AGM is customarily nestled in one of the hotels in the Klang Valley which is easily accessible through public transportation. The resolution of the General Meetings is conducted via poll voting.

For good corporate governance practice, the notice of the AGM and the Annual Report would be sent to all shareholders at least twenty-eight (28) days prior to the meeting so that the shareholders would be given sufficient time and notice to consider on the resolutions to be discussed at the AGM and to encourage greater shareholders' participation at the AGM. The shareholders are thus provided with ample time to review the annual report, to appoint proxies and to collate questions to be asked at the AGM.

All the Directors (including the chairman of the board committees) were present the last AGM to engage with and be accountable to the shareholders for their stewardship of the Company. The Directors and the EA were all in attendance to respond to all questions raised and to provide clarification as required by the shareholders including company's financial and non-financial performance as well as the company's long-term strategies.

OTHER ADDITIONAL **COMPLIANCE INFORMATION**

1. UTILISATION OF PROCEEDS FROM CORPORATE EXERCISE

The Company did not undertake any corporate exercise during the financial year and hence no proceeds were raised therefrom.

2. AUDIT AND NON-AUDIT FEES

(a) Amount of audit fees paid or payable to the Company's auditors incurred by the Company and on a group basis are RM83,000 and RM125,000 respectively.

(b) There is no amount of non-audit fees paid or payable to the Company's auditors incurred by the Company and on a group for the financial period ended 31 December 2022.

3. MATERIAL CONTRACTS AND CONTRACTS RELATING TO LOANS

There was no material contracts entered into by the Company and its subsidiaries which involved Directors' or major shareholders' interest (not being contracts entered into in the ordinary course of business) during the financial period ended 31 December 2022.

4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND TRADING NATURE ("RRPT")

There is no recurrent related party transactions entered into during the financial period ended 31 December 2022.

5. SHARE ISSUANCE SCHEME

The Company did not implement any share issuance scheme during the financial period ended 31 December 2022.

AUDIT COMMITTEE **REPORT**

The Board of Directors of PJBumi Berhad ("the Board") is pleased to present the Audit Committee Report for the financial period ended 31 December 2022.

COMPOSITION AND MEETINGS

As at the date of this Annual Report, the Audit Committee comprises four (4) Directors as follows:

Chairman

Abdul Rahim Bin Embi	-	Independent Non-Executive Director

Members

Ahmad Bin Md Daud	-	Independent Non-Executive Director
Nik Md Nor Suhaimi Bin Nik Ibrahim	-	Independent Non-Executive Director
Datin Flora Remeo (Appointed on 1 April 2023)	-	Independent Non-Executive Director

The present composition and the qualification of its members comply with paragraphs 15.09 and 15.10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Audit Committee met six (6) times during the financial period ended 31 December 2022 and the details of attendance of the Audit Committee are as follows:

Name of Directors	Attendance
Abd Rahim Bin Embi	5/6
Ahmad Bin Md Daud	6/6
Nik Md Nor Suhaimi Bin Nik Ibrahim	5/6
Datin Flora Remeo*	N/A

(*Datin Flora Remeo was appointed as Independent Non-Executive Director of the Company on 1 April 2023, subsequent to the financial period ended 31 December 2022)

Details of the members of the Audit Committee are contained in the Profile of Directors set out in this Annual Report.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

In accordance with the terms of reference of the Audit Committee, the following activities were undertaken by the Audit Committee during the financial period ended 31 December 2022, among others deliberated on and reviewed:

(a) the unaudited quarterly financial statements of the Group to ensure that they are in compliance with the requirements of relevant authorities, prior to submission to the Board for their approval and release of the Group's results to Bursa Securities.

(b) the annual audited financial statements of the Group and of the Company prior to submission to the Board of Directors for consideration and approval.

(c) the External Auditors' report in relation to audit and accounting issues arising from the audit; matters arising from the audit of the Group in meetings with the External Auditors without the presence of the executive Board members and management.

(d) reported to the Board of Directors on the internal audit plan and the results of the internal audit assessments, the internal audit report and the recommendations arising from the reviews conducted by the outsourced internal auditor and the Internal Audit Report which is to be included in the Annual Report.

(e) the related party transactions and potential conflict of interest situation that may have arisen within the Company or Group.

(f) the re-appointment of External Auditors and their audit fees, before the recommendation to the Board of Directors for approval.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (CONT'D)

(g) the internal audit function of the Group in the following areas: -

i) review the understanding of the internal auditors' accountability to the AC and their understanding of the Group's business and risk environment;
ii) review the scope of audit work, adequacy of resources and access to information;
iii) review the competency of the internal auditors;
iv) review the timely communication and handling of the audit findings to AC, recommendations thereof and monitoring of such recommendations; and
v) review the performance of the internal auditors and quality of their internal audit plan.

(h) the internal audit plan and internal audit reports of the associated company.

INTERNAL AUDIT FUNCTION

During the financial period ended 31 December 2022, the Group's internal audit function was outsourced to an independent person, Abd Aziz bin Ibrahim. He has more than 10 years experience in conducting internal audits for banking institutions. He has no family relationship with other directors or major shareholders of PJBumi Berhad and he has no conflict of interest with PJBumi Berhad.

The Board of Directors' of PJBumi has appointed him to review and improve its existing internal control process and to assist in identifying and managing the Group's risks and the control procedures to manage those risks and to assist the AC in obtaining the assurance quality in relation to the effectiveness of the system of internal control implemented by the Management.

During the financial year under review, the Internal Auditors carried out an independent internal audit review on the Group's Business Development and marketing and assessed the adequacy and effectiveness of internal controls within the Group. There was no cost incurred for the internal audit service for the financial year.

Further information on the internal audit function and its activities are set out in the Statement on Risk Management and Internal Control in this Annual Report.

STATEMENT ON RISK MANAGEMENT **AND INTERNAL CONTROL**

1. INTRODUCTION

The Board of Directors ("Board") of PJBumi Berhad is guided by the Statement on Risk Management & Internal Control ("SORMIC") - Guidelines for Directors of Listed Issuers in making disclosures concerning the main features of the risk management framework and internal controls system of the Group pursuant to the Paragraph 15.26(b) of the Listing Requirements. The Board is pleased to present below its SORMIC which outlines the nature and scope of the risk management and internal controls of the Group during the financial period ended 31 December 2022. This is in line with the Malaysian Code on Corporate Governance 2021.

2. BOARD RESPONSIBILITY

The Board is fully committed to ensure the existence of an effective risk management framework and internal controls system within the Group, and continuously reviews and evaluates the adequacy and integrity of these systems. However, the Board recognises that such systems are designed to manage and reduce, rather than eliminate, the risks identified to acceptable levels. Therefore, the internal controls implemented can only provide reasonable and not absolute assurance against the occurrence of any material misstatement, fraud or loss.

Whilst the Board has overall responsibility for the Group's risk management and internal controls system, it has delegated the implementation of these internal controls system to the Management, who regularly report to the Audit Committee of the Board on risks identified and actions taken to mitigate and/or minimise the risks. The risk management and internal controls system is subject to the Board's regular review with a view towards appraising the adequacy, effectiveness and efficiency of such system within the Group and also to ensure that these systems are viable and robust.

3. RISK MANAGEMENT FRAMEWORK

With the increasingly complex and dynamic business environment, proactive management of the overall business risks is a prerequisite in ensuring that the organisation achieves its strategic objectives.

The Board Executive Committee ("BEC") was established by the Board to assist the Group Managing Director ("GMD") in ensuring that daily operations are conducted effectively and according to the Group's strategic plan, approved budgets, policies, procedures and relevant laws and regulations. The members of the Committee comprising two (2) Directors and the management representatives.by the Board with the objective to have an efficient and effective mechanism to bring the transparency, focus, and independent judgement needed to oversee the Group risk management framework.

The BEC undertakes the responsibility of reviewing the development of risk management framework, align with business and operations requirements which supports the maintenance of a strong control environment. The Group has established an on-going process for identifying, and documenting major risks, evaluating the potential impact and likelihood of occurrence, and mitigating controls through the adoption of risk management methodology and approach. This process is reviewed by the BEC for reporting to the Audit Committee ("AC") and to the Board annually.

The Group is establishing a risk management framework through an ongoing process of identifying, evaluating and managing significant risks encountered by the Group. The Board regularly reviews this process and applies corrective measures to mitigate and manage the risks.

Operational wise, the Group had established Risk Management Operation Group ("RMOG") and members of the RMOG mainly consist of the Heads of Department within the Group. In terms of frequency, the RMOG met twice a year to review and update the risk register, and assess the status of risk mitigation action plan. The risk governance structure is aligned across business units and subsidiaries of the Group through the streamlining of the risk framework, policies and organisational structures in order to embed and enhance the risk management and risk culture based on the Group's growth and expansion plan.

The BEC is required to identify major business and compliance risks concerning the respective business units, oversees and ensures integration of risk management into their business processes to safeguard the interest of the Group covering the 7 major areas, namely Supply Chain Management, Engineering, Production, Management Information Systems, Finance, Human Resource and Quality Assurance.

3. RISK MANAGEMENT FRAMEWORK (CONT'D)

The existing controls to mitigate and to manage risks are then re-assessed and strengthened. The Board believes that the Group's risk management framework are integral to maintaining a sound risk management and internal control system through the establishment of BEC with the responsibilities of: -

a) To create and establish high-level risk policies and strategies that are aligned with the strategic business objectives of the Group.
b) To identify the critical risks the Group faces and their changes and the management action plans to manage the risks.
c) To communicate the vision of the Board, strategy, policy, responsibilities and reporting lines to all employees across the Group.
d) To communicate and report to the Audit Committee, on a yearly basis, the significant risks (present or potential), their changes, and the action plans of the management to manage the risks.
e) To perform risk management activities of the Group and assist the Audit Committee in discharging its responsibilities for determining significant risks and ensuring the application of appropriate system or action plans to manage the overall risk exposure of the Group.
f) To perform any other function that may be determined by the Audit Committee from time to time.
g) To advise the Audit Committee on areas of high risk and the adequacy of compliance and control procedures throughout the Group.

In short, the BEC is overall responsible for maintaining, monitoring, and evaluating the effectiveness of the risk management system on an on-going basis.

4. INTERNAL AUDIT FUNCTION

In the efforts to strengthen the internal control within the Group, a number of preventive and corrective measures have been carried out and implemented throughout the financial year. The Group's internal audit function is performed by En. Abd Aziz bin Ibrahim (AAI) who is appointed by the Board to assist the Board and Audit Committee in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. AAI graduated with a Bachelor of Economics with Honours Degree from University of Malaya. He has more than 20 years of experience in banking institution with more than 10 years in internal audit department. With the engagement, the Internal Auditors have disclosed that there are no relationships or conflicts of interest in the discharge of its responsibilities and that they remained independent and have no direct operational responsibility or authority over any of the activities audited.

The Internal Auditors are free from any relationships or conflicts of interest, which could impair their objectivity and independence of the internal audit function. The Internal Auditors do not have any direct operational responsibility or authority over any of the activities audited. The Audit Committee is of the opinion that the internal audit function is effective and able to function independently.

The Internal Auditors reviewed and addressed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the Group and recommended possible improvements to internal control processes. This is to provide reasonable assurance that such systems continue to operate satisfactorily and effectively within the Group.

During the financial period ended 31 December 2022, the internal audit function carried out by an internal audit review on the Business Development and Marketing. The reviews were carried out in accordance with the approved audit plan and timetable. Significant findings and recommendations for improvements are highlighted to the Audit Committee, with semi-annual follow-up and reviews of action plans.

5. OTHER RISK AND CONTROL PROCESS

Apart from risk management and internal audit, the Board has initiated the following processes to provide assurance to the Board on the proper conduct of the Group's business operations:

(i) The Group maintains a formal organization structure that includes clear lines of accountability, which has a documented delegation of authority that sets out decision that need to be taken and the appropriate authority levels of management, including matters that requires the Board's approval.

(ii) A formal scope of responsibility and delegation of authority has been established through the Board Charter/ terms of reference and organizational structures.

(iii) The external auditors provide assurance in the form of their statutory audit for the financial statements. Further areas for improvement during the course of the statutory audit by the external auditors are brought to the attention of the Audit Committee through management letters, or discussed at Audit Committee meetings.

(iv) The Managing Director are closely involved in the running of business and operations of the Group and report to the Board on significant changes in business and external environment, which affect operation of the Group at large.

(v) The Management has established written polices and procedures which have been approved by the Board and they have been implemented in the core business processes throughout the Group. The Group's internal control policies and procedures are clearly documented in the Standard Operating Procedures (SOP) and other procedures manuals applicable to the Group's operations. The Company has in place authority limits and approvals processes at the various levels of operations and business decision-making.

The business units' processes and SOP constitute the Group's "first line of defense" under its internal control system. They serve to ensure the compliance with the internal control and relevant laws and regulations. Regular reviews and updates are performed in line with changes in business environment, statutory and regulatory requirements to ensure their relevance and effectiveness.

6. EFFECTIVENESS OF INTERNAL CONTROL

The review and assurance of the system of internal control is an annual process. The internal control is reviewed by the Internal Auditors and Audit Committee and weaknesses and incidents of non-compliance with policies and procedures are highlighted to the management for improvement actions to achieve business objectives.

7. CONCLUSION

For the financial period under review and up to the date of approval of this statement, the Board is of the opinion that the risk management and internal control system is currently in place as far as practicable. The Board remains committed towards establishing a robust system of risk management and internal control and is of the opinion that there were no material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report during the year resulting from weaknesses in risk management and internal control. Management continues to take measures to strengthen the control environment.

The Board has received assurance from the Group Managing Director that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects, during the financial year under review and up to date of this Statement.

The Board is of the view that the system of risk management and internal controls in place are satisfactory to protect the Group's interest and that of its stakeholders, particularly on enhancing shareholders' value.

FINANCIAL **STATEMENTS**

DIRECTORS' **REPORT**

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial period from 1 July 2021 to 31 December 2022.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are described in Note 11 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial period.

CHANGE OF FINANCIAL PERIOD

The Group and the Company have changed its financial period from 30 June to 31 December. Accordingly, the financial statements of the Group and the Company cover 18 months period from 1 July 2021 to 31 December 2022 compared to the previous 18 months period ended 30 June 2021.

	Group RM'000	Company RM'000
Profit for the period attributable to :		
Owners of the company	1,281	2,136
Non-controlling interest	(29)	-
	1,252	2,136

RESERVES AND PROVISION

There were no material transfers to or from reserves or provisions during the financial period other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial period were not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividends have been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend in respect of the current financial period.

DIRECTORS OF THE COMPANY

The Directors in office since the beginning of the financial period to the date of this report are as follows:

Adlin bin Shaharudin
Ahmad bin Md Daud
Nik Md Nor Suhaimi bin Nik Ibrahim
Abd Rahim bin Embi
Datin Flora Remeo (Appointed on 1 April 2023)

The Directors of the Company's subsidiaries in office since the beginning of the financial period to the date of this report are as follows:

Amir bin Awang Hamad
Abd Aziz bin Ibrahim
Ahmad bin Md Daud
Syed Ali Zainal Abidin bin Syed Mudzaffar
Idris bin Abas

DIRECTORS' BENEFIT

Neither at the end of the financial period, nor at any time during the period, did there subsist any arrangement to which the Group and the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debenture of the Group and of the Company or any other body corporate.

Since the end of the previous financial period, no Director of the Company has received or become entitled to receive any benefit 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

DIRECTORS' INTERESTS

According to the register of director's shareholdings, the interest of directors in the office at the end of the financial period in shares of the Company and its related corporation during the financial period were as follows:

	Number of ordinary shares			
	At 1 July 2021	Acquired	Sold	At 31 December 2022
EMEF Technology Sdn Bhd				
CMAi Capital Sdn Bhd *				
Adlin bin Shaharudin **	15,169,000	-	-	15,169,000

* Deemed interested by virtue of holding substantial interest in the shares of EMEF Technology Sdn Bhd
** Deemed interested by virtue of holding substantial interest in the shares of CMA i Capital Sdn Bhd

None of the other directors holding office at 31 December 2022 had any interest in shares and options over shares of the Company and of its related corporations during the financial period.

ISSUANCE OF SHARES AND DEBENTURES

There were no other changes in the issued and paid up share capital of the Company during the financial period.

WARRANTS

As at Expiry Date, 14,999,996 unexercised warrants become null, void and ceased to be exercisable and the same amount was removed from the official list of Bursa Securities with effect from 5 July 2022.

The salient terms of the warrants are disclosed in Note 18 to the financial statements.

DIRECTORS' REMUNERATIONS

There is no remunerations of the directors or past directors of the Company comprising remunerations received/receivable from the Company during the financial period.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been the director, officer or auditor of the Company.

OTHER STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

(a) Before the statements of profit or loss and other comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts have been written off and that adequate provision had been made for doubtful debts; and

  (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

  (i) which would render the amount written off for 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; or

  (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

  (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) As 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 period which secures the liabilities of any other person; and

  (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial period.

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

(e) No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which will or may affect the ability of the Group or of the Company to meet its obligations when they fall due.

(f) In the opinion of the directors:

  (i) the result of the operations of the Group and of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature.

  (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial period in which this report is made.

AUDITORS' REMUNERATION

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors are as follows :

	Group RM'000	Company RM'000
Statutory audit	125	83

AUDITORS

The auditors, Messrs CHENGCO PLT.,have indicated their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,

ABD RAHIM BIN EMBI
Director

ADLIN BIN SHAHARUDIN
Managing Director

Shah Alam, Selangor

Date: 17 April 2023

STATEMENT **BY DIRECTORS**

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016

We, ABD RAHIM BIN EMBI and ADLIN BIN SHAHARUDIN, being two of the directors of PJBUMI BERHAD, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act, 2016 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 2022.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors.

ABD RAHIM BIN EMBI
Director

ADLIN BIN SHAHARUDIN
Managing Director

Shah Alam, Selangor

Date: 17 April 2023

STATUTORY **DECLARATION**

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT, 2016

I, ADLIN BIN SHAHARUDIN, being the Director primarily responsible for the financial management of PJBUMI BERHAD, do solemnly and sincerely declare that the accompanying financial statements 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 by }
the above named ADLIN BIN SHAHARUDIN }
at Shah Alam in Selangor Darul Ehsan }
on 17 April 2023. }

ADLIN BIN SHAHARUDIN
Managing Director

Before me:

Commissioner for Oaths

Shah Alam, Selangor

INDEPENDENT
AUDITORS' REPORT
TO THE MEMBERS OF PJBUMI BERHAD
Registration No. [198501009089 (141537-M)]
(Incorporated in Malaysia)

Opinion

We have audited the financial statements of PJBumi Berhad, which comprise the statements of financial position as at 31 December 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes, as set out on pages 47 to 101.

In our opinion, the accompanying financial financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022, and of their financial performance and their cashflows for the period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of the carrying amounts of goodwill and investment in subsidiaries

As disclosed in Note 11 and 16 to the financial statements, the cost of investment in subsidiaries and goodwill stood at 49,350,002 and RM15,313,134 respectively.

Under MFRS 136, management is required to annually perform impairment assessment for goodwill and investment in subsidiaries. These assessments are significant to our audits as they involve significant management judgement and are based on assumptions that are affected by expected future market and economic conditions.

The risk is also described in note 3 (c) and 3 (g) to the financial statements.

Our audit approach to address Key Audit Matters

Our audit procedures performed in this area included, among others:-

- Examining the cash flow projections against recent performance and challenged assumptions in financial projections to external available external industry sources of data, where applicable;
- Evaluating the reasonableness of projected profit margins and growth rates by assessing evidence available to support the assumptions and their consistency with findings from other areas of our audit;
- Analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions to the recoverable amount; and
- Evaluating the adequacy of the financial statements disclosures about those assumptions to which the outcome of the impairment test is most sensitive.

Key Audit Matters (cont'd)

Recoverability of Receivables

As disclosed in Note 17 to the consolidated financial statements, the Group had receivables of RM7,615,006 and the impairment of receivables stood at RM 4,180,369

Receivables of the group comprise mainly receivables from rendering of after-sales support services including connecting works of fibre plastic tanks and mechanical and engineering equipment as well as service rendered on managing solid waste and area cleansing. The amount mostly due from customers.The Group is exposed to a heightened risk of significant financial loss when the customers fail to meet their obligation in accordance with the credit term.

We focused on this area because the recognition of impairment requires significant judgment and assumptions from management concerning on the recoverability of the receivables.

Our audit approach to address Key Audit Matters

Our audit procedures performed in this area included, among others:-

- Obtaining an understanding of the Group's:
  - Control over the receivables approval and collection process;
  - Process to identify and assess the impairment of receivables; and
  - Policy to determine the accounting estimate for the impairment of receivables.
- Reviewing and testing aging of receivables balances at period end;
- Assessing the recoverability of these outstanding receivables who exceeded credit limit via discussion with management and with reference to credit profile of the customers and latest correspondence with customers;
- Evaluating management's assessment to support the collectability of receivables;
- Assessing the recoverability of the balances by comparing the outstanding amounts as at period end against subsequent settlements; and
- We reviewed the appropriateness and reasonableness of the assumptions applied in the management assessments of the expected credit loss, taking into account specific known receivables' circumstances.

Impairment of Investment Property

As disclosed in note 13 of the consolidated statement financial position, the Group has Investment Properties of RM13,080,000. We focused on this area as an assessment of impairment of Investment Properties ("IP") because it involved in management judgements and estimation of uncertainty in determining the fair value of asset by considering the recoverable amount and cash generating unit produces.

Our audit approach to address Key Audit Matters

Our audit procedures performed in this area included, among others:-

- Reviewed the management's impairment assessments of investment property in accordance with MFRS 140;
- Assessed the reasonableness of the key assumptions such as similar Investment Property, adjusted for age and cost of disposal by evaluating the underlying data;
- Independently verified on the external sources data used by the management in deriving at the fair value of Investment Property;
- Performed physical sighting;
- Checked the mathematical accuracy of management's computation of the fair value less cost of disposal; and
- Reviewed adequacy of the related disclosures in the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion of the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) The financial statements of PJBUMI Berhad for the year ended 30 June 2021, were audited by another auditor who expressed an unmodified opinion on those statements on 20 October 2021.

b) This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016, in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

CHENGCO PLT
201806002622
(LLP0017004-LCA) & AF0886
Chartered Accountants

CHANG JIA LER
03656/04/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia

Date: 17 April 2023

STATEMENTS OF PROFIT OR LOSS
AND OTHER COMREPENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2022

		Group		Company	
	Note	**Period from 1/7/2021 to 31/12/2022**	Period from 1/1/2020 to 30/06/2021	**Period from 1/7/2021 to 31/12/2022**	Period from 1/1/2020 to 30/06/2021
		RM'000	RM'000	**RM'000**	RM'000
Revenue	4	**12,290**	17,888	**-**	-
Cost of sales	5	**(9,955)**	(16,450)	**-**	-
Gross profit		**2,335**	1,438	**-**	-
Other income	6	**3,252**	1,998	**3,621**	684
Employee benefits expenses	7	**(1,223)**	(972)	**(274)**	(381)
Selling and distribution expenses		**(30)**	(3)	**(6)**	(3)
Administrative expenses		**(2,628)**	(12,187)	**(1,087)**	(488)
Finance costs		**(1)**	(5)	**(1)**	(5)
Profit/(Loss) before income tax	8	**1,705**	(9,731)	**2,253**	(193)
Income tax (expenses)/credit	9	**(453)**	16	**(117)**	1
Profit/(Loss) from continuing operations		**1,252**	(9,715)	**2,136**	(192)
Discontinued operations					
Profit from discontinued operations (attributable to equity holders of the Company		**-**	10,158	**-**	-
Net profit/(loss), total comprehensive profit/ (loss) for the period		**1,252**	443	**2,136**	(192)
Net profit/(loss), total comprehensive profit/(loss) attributable to :					
Continuing operations		**1,281**	(9,707)	**2,136**	(192)
Discontinued operation		**-**	10,158	**-**	-
Equity holders of the company		**1,281**	451	**2,136**	(192)
Non controlling interest		**(29)**	(8)	**-**	-
		1,252	443	**2,136**	(192)
Earnings per share attributable to shareholders of the Company (sen per share) :					
Basic	10	**1.56**	0.55		
Diluted	10	**-**	0.46		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF
FINANCIAL POSITION
AS AT 31 DECEMBER 2022

		Group	
	Note	31.12.2022	30.06.2021
		RM'000	RM'000
Assets			
Non-current assets			
Property, plant and equipment	12	**121**	47
Investment properties	13	**13,080**	10,709
Right-of-use assets	14	**6**	19
Deferred tax assets	15	**-**	254
Goodwill on consolidation	16	**15,313**	15,313
Total non-current assets		**28,520**	26,342
Current assets			
Trade and other receivables	17	**3,776**	4,672
Cash and bank balances		**106**	101
Total current assets		**3,882**	4,773
Total assets		**32,402**	31,115
Equity and liabilities			
Share capital	18	**44,473**	44,473
Reserves	18	**2,694**	2,775
Accumulated losses		**(23,024)**	(24,386)
Equity attributable to the owners of the Company		**24,143**	22,862
Non controlling interest		**183**	212
Total equity		**24,326**	23,074
Non-current liability			
Deferred tax liabilities	15	**103**	3
Lease liability	20	**-**	11
Trade and other payables	19	**602**	1,001
Total non-current liabilities		**705**	1,015
Current liabilities			
Trade and other payables	19	**4,064**	3,812
Tax liabilities		**3,300**	3,205
Lease liability	20	**7**	9
Total current liabilities		**7,371**	7,026
Total liabilities		**8,076**	8,041
Total equity and liabilities		**32,402**	31,115

	Note	Company 31.12.2022 RM'000	Company 30.06.2021 RM'000
Assets			
Non-current assets			
Property, plant and equipment	12	**16**	39
Investment properties	13	**13,080**	10,709
Right-of-use assets	14	**6**	19
Investment in subsidiaries	11	**35,535**	35,535
Total non-current assets		**48,637**	46,302
Current assets			
Trade and other receivables	17	**1,443**	1,568
Cash and bank balances		**65**	62
Total current assets		**1,508**	1,630
Total assets		**50,145**	47,932
Equity attributable to owners of the Company			
Share capital	18	**44,473**	44,473
Reserves	18	**2,694**	2,775
Accumulated losses		**(23,768)**	(25,985)
Total equity		**23,399**	21,263
Non-current liability			
Deferred tax liabilities	15	**103**	1
Lease liability	20	**-**	11
Trade and other payables	19	**378**	1,001
Total non-current liabilities		**481**	1,013
Current liabilities			
Trade and other payables	19	**23,831**	23,234
Tax liabilities		**2,427**	2,413
Lease liability	20	**7**	9
Total current liabilities		**26,265**	25,656
Total liabilities		**26,746**	26,669
Total equity and liabilities		**50,145**	47,932

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF **CHANGES IN EQUITY**

FOR THE FINANCIAL PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2022

Group	Attributable to owners of the Company Distributable/(non-distributable) Share capital RM'000	Revaluation reserve RM'000	Warrant reserve RM'000	Accumulated losses RM'000	Total RM'000	Non controlling interest RM'000	Total equity RM'000
At 1 July 2021	**44,473**	**2,694**	**81**	**(24,386)**	**22,862**	**212**	**23,074**
Expiry of warrant	-	-	(81)	81	-	-	-
Profit/(loss) for the period	-	-	-	1,281	1,281	(29)	1,252
At 31 December 2022	**44,473**	**2,694**	**-**	**(23,024)**	**24,143**	**183**	**24,326**
At 1 January 2020	44,473	4,694	81	(26,841)	22,407	220	22,627
Disposal of subsidiary	-	(2,000)	-	2,004	4	-	4
Profit/(loss) for the period	-	-	-	451	451	(8)	443
At 30 June 2021	44,473	2,694	81	(24,386)	22,862	212	23,074

Company	Distributable/(non-distributable) Share capital RM'000	Revaluation reserve RM'000	Warrant reserve RM'000	Accumulated losses RM'000	Total equity RM'000
At 1 July 2021	**44,473**	**2,694**	**81**	**(25,985)**	**21,263**
Expiry of warrant	-	-	(81)	81	-
Profit for the period	-	-	-	2,136	2,136
At 31 December 2022	**44,473**	**2,694**	**-**	**(23,768)**	**23,399**
At 1 January 2020	44,473	2,694	81	(25,793)	21,455
Loss for the period	-	-	-	(192)	(192)
At 30 June 2021	44,473	2,694	81	(25,985)	21,263

The accompanying notes form an integral part of the financial statements.

STATEMENTS
OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2022

	Group		Company	
	2022	2021	**2022**	2021
	RM'000	RM'000	**RM'000**	RM'000
Cash flows from operating activities				
Profit/(Loss) before tax	**1,705**	(9,731)	**2,253**	(193)
Adjustments for :				
Allowance for expected credit loss	**387**	2,568	**201**	-
Depreciation of right-of-use assets	**13**	25	**13**	25
Depreciation of property, plant and equipment	**52**	32	**23**	19
Gain on disposal of motor vehicle	**(29)**	-	**(7)**	-
Gain on revalue of investment properties	**(2,371)**	-	**(2,371)**	-
Loss of control of shares	**-**	(2,000)	**-**	-
Loss of control of subsidiary	**-**	10,142	**-**	-
Write off of:				
- inventories	**-**	57	**-**	-
- receivables	**666**	184	**-**	63
Interest expense	**1**	5	**1**	5
Interest income	**(1)**	(1)	**-**	-
Operating profit/(loss) before changes in working capital	**423**	1,281	**113**	(81)
Working capital changes:				
Trade and other receivables	**(157)**	1,091	**(196)**	55
Trade and other payables	**248**	(1,103)	**302**	6
Amount due to a director	**(399)**	(1,313)	**(623)**	(508)
Amount due from related companies	**-**	-	**414**	546
Cash generated from/(used in) operations	**115**	(44)	**10**	18
Interest received	**1**	1	**-**	-
Interest paid	**(1)**	(5)	**(1)**	(5)
Net cash generated from/(used in) operating activities	**115**	(48)	**9**	13
Cash flows generated from investing activity				
Acquisition of property, plant and equipment	**(126)**	(21)	**-**	(21)
Proceeds from disposal of motor vehicles	**29**	-	**7**	-
Net cash (used in)/from investing activity	**(97)**	(21)	**7**	(21)
Cash flows used in financing activity				
Payments of finance lease	**(13)**	(25)	**(13)**	(25)
Net cash used in financing activity	**(13)**	(25)	**(13)**	(25)
Net increase/(decrease) in cash and cash equivalents	**5**	(94)	**3**	(33)
Cash and cash equivalents at the beginning of the financial period	**101**	195	**62**	95
Cash and cash equivalents at the end of the financial period	**106**	101	**65**	62

The accompanying notes form an integral part of the financial statements.

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2022

1. CORPORATE INFORMATION

PJBumi Berhad is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur.

The principal activities of the Company are that of investment holding and the provision of management services to its subsidiaries.

The principal activities of the subsidiaries are described in Note 11 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial period.

The financial statements was authorised for issue by the Board of Directors in accordance with the resolution of the directors on 17 April 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ('MFRS'), International Financial Reporting Standards and the requirements of the Companies Act 2016, in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as disclosed in the respective significant accounting policies.

The financial statements are presented in Ringgit Malaysia.

2.2 Use of estimates and judgements

The preparation of financial statements requires management to make judgements, 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.

2.3 Adoption of new and amendment to MFRS's and Interpretation

During the financial period, the Group and the Company has adopted the following amendments to MFRSs issued by the MASB that are mandatory for current financial period.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 3 - Reference to the Conceptual Framework
- Amendments to MFRS 16 - Covid-19-Related Rent Concessions beyond 30 June 2022
- Amendments to MFRS 137 - Onerous Contract-Cost of Fulfilling a Contract
- Amendments to MFRSs - Annual Improvements to MFRS Standards 2018-2020

Adoption of above amendments to MFRSs did not have any significant impact on the financial statements of the Group and the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Adoption of new and amendment to MFRS's and Interpretation (cont'd)

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

MFRSs, Interpretations and amendments effective immediately for annual periods beginning before 1 January 2023

- Amendments to MFRS 4 - Extension of the Temporary Exemption from Applying MFRS 9

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023, with earlier application permitted

- Amendments to MFRS 17 - Insurance Contracts
- Amendments to MFRS 17 - Initial Application of MFRS 9 and MFRS 17 Comparative Information
- Amendment to MFRS 101 - Classification of Liabilities as Current or Non-current
- Amendment to MFRS 101 - Disclosure of Accounting Policies
- Amendment to MFRS 108 - Definition of Accounting Estimates
- Amendments to MFRS 112 - Deferred Tax re;ated to Assets and Liabilities arising from a single transaction

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024, with earlier application permitted

- MFRS 17 - Insurance Contract
- Amendment to MFRS 101 - Lease Liability in a Sale and Leaseback
- Amendment to MFRS 10 and MFRS 128 - Non-current Liabilities with covenants

MFRSs, Interpretations and amendments effective date deferred to a date to be determined and announced by MASB, with earlier application still permitted

- Amendment to MFRS 10 and MFRS 128 - Sales or Contribution of Assets between an Investor and its Associate or Joint Venture

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

2.4 Summary of significant accounting policies

(a) Basis of consolidation

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

- The Group controls exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In the previous financial periods, control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

- Potential voting rights are considered when assessing control only when such rights are substantive. In the previous financial periods, potential voting rights are considered when assessing control when such rights are presently exercisable.

- The Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return. In the previous financial periods, the Group did not consider de facto power in its assessment of control.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

(i) Subsidiaries

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

(ii) Business combinations

When excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iv) Non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

(v) Transaction eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Goodwill

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment loss.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairement loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(b) Property, plant and equipment

(i) Recognition and measurements

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset 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. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and 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.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component 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 component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

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

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that componenets is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each componenet of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. Property, plant and equipment under costruction are not depreciated until the assets are ready for their intended use.

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

Plant and machinery, office equipment, computers and furniture fittings	10% - 33%
Motor vehicles	20%

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period and adjusted as appropriate.

(c) Investment properties

(i) Investment property carried at fair value

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured initially at cost and subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise. Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-costructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capital borrowing costs.

An investment properties is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(c) Investment properties (cont'd)

(ii) Reclassification to investment property

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous imairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

(d) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU").

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss in the period the assessment is carried out. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

(e) Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and their carrying amount is included in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ('FVTOCI')

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss ('FVTPL').

(ii) Amortised cost and effective interest method

At initial recognition financial assets are measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

For purchased or originated credit-impaired financial assets, the Group and the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "investment income" line item.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

(iii) Debt instruments classified as at FVTOCI

Subsequent measurement of debt instruments depends on the Group and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **FVTOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income ('OCI'), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **FVTPL:** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit or loss within other gains/(losses) in the period in which it arises.

(iv) Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Where the Group and the Company's management have elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's and the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

(v) Financial assets at fair value through profit or loss ('FVTPL')

This category comprises only in-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Group and the Company do not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

(vi) Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income (FVTOCI), lease receivables, amounts due from customers under construction contracts, as well as on loan commitments and financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company always recognises lifetime ECL for trade receivables, amounts due from customers under construction contracts and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(vii) Derecognition of financial assets

The Group and the Company derecognise a financial asset when the contractual right to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group and the Company neither transfer nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group and the Company enter into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

(h) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(i) Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised n profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(i) Financial liabilities at FVTPL

This category comprises only out-of-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. The Group and the Company do not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Group and the Company do not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

(ii) Other financial liabilities

Other financial liabilities include the following items:

- bank borrowings and the Group's and the Company's perpetual preference shares are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

- liability components of convertible loan notes are measured as described further below.

- trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(i) Financial liabilities (cont'd)

(iii) Derecognition of financial liabilities

The Group and the Company derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group and the Company also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(j) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

(k) Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(l) Employee benefits

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(m) Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component. The Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

(ii) Recognition and initial measurement

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The rightof-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable; and

- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(m) Leases (cont'd)

(iii) Subsequent measurement

As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of insubstance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the rightof-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(n) Revenue and other income

(i) Revenue

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group or the Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group or the Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

(a) the customer simultaneously receives and consumes the benefits provided as the Group or the Company performs;

(b) the Group's or the Company's performance creates or anhances an asset that the customer controls as the asset is created or enhanced; or

(c) the Group's ot the Company's performance does not create an asset with an alternative use and the Group or the Company has an enforceable right to payment for performance completed to date.

(ii) Interest income

Interest income is recognised using the effective interest method.

(iii) Management fees

Management fees are recognised when services are rendered.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(n) Revenue and other income (cont'd)

(iv) Rental income

Rental income is accounted for on a straight-line basis over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(o) Income taxes

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(o) Income taxes (cont'd)

(ii) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(p) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

(q) Finance Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

(r) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 21, including the factors used to identify the reportable segments and the measurement basis of segment information.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(s) Non-current 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 MFRSs. Then, on initial classification as held for sale, non-current assets are measured in accordance with MFRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in profit or loss.

(t) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Level 1: quoted prices(unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The key assumption concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are as stated below:-

(a) Allowance for impairment

The Group and the Company make impairment based on an assessment of the recoverability of trade and other receivables. Impairment are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectibles. The identification of expected loss rate requires use of judgement and estimates where the rate is different from the original rate, such difference will impact the carrying value of the trade and other receivables and impairment loss in the period in which such has been changed.

(b) Useful Lives of Property, Plant and Equipmen

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use, The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets.

In addition, the estimation of the useful lives of property, plant and equipment are based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets.

(c) Impairment of Investment in Subsidiaries

The Group tests investment in subsidiaries for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary.

Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries which involve uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Group's tests for impairment of investment in subsidiaries.

The management determined the recoverable amount of the investment in subsidiaries based on the individual assets' value in use and the probability of the realisation of the assets. The present value of the future cash flows to be generated by the asset is the asset's value in use, and it is assumed to be the same as the net worth of the asset as at the end of the reporting period. An impairment loss is recognised immediately in the profit or loss if the recoverable amount is less than the carrying amount.

In view of the above, the management are in the opinion that no impairment is required for the investment in subsidiaries as at the end of the reporting period.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(d) Impairment of Non-current Assets

The Group reviews the carrying amount of its non-current assets, which include property, plant and equipment and investment property, to determine whether there is an indication that those assets have suffered an impairment loss in accordance with relevant accounting policies on the respective category of non-current assets. Independent professional valuers to determine the carrying amount of these assets will be procured when the need arise.

(e) Deferred tax assets

Deferred tax assets are recognised for unabsorbed capital allowances and other temporary differences to the extent that it is probable that taxable profit will be available against which unabsorbed capital allowances and other temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(f) Net Realisable Values of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgements and estimates. Possible changes in these estimates could result in revisions to the valuations of inventories.

(g) Goodwill on consolidation

The Group tests goodwill for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary.

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating unit to which goodwill has been allocated. The value-in-use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value.

(h) Tax expense

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the capital allowances and deducibility of certain expenses when estimating the provision for taxation. There were transactions during the ordinary course of business for which the ultimate tax determination of whether additional taxes will be due is uncertain. The Company recognises liabilities for tax based on estimates of assessment of the tax liability due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the periods in which the outcome is known.

4. REVENUE

	Group		Company	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021	**Period from 01/07/2021 to 31/12/2022**	Period from 01/01/2020 to 30/06/2021
	RM'000	RM'000	**RM'000**	RM'000
Engineering & Construction	**11,710**	6,304	**-**	-
Trading, Manufacturing & Others	**518**	9,844	**-**	-
Industrial Services				
- Environmental Management	**62**	1,740	**-**	-
	12,290	17,888	**-**	-

All revenue of the Group are derived from the same geographical market as the Group operate predominantly in Malaysia. The goods and services are transferred to the customers at a point in time.

5. COST OF SALES

	Group		Company	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021	**Period from 01/07/2021 to 31/12/2022**	Period from 01/01/2020 to 30/06/2021
	RM'000	RM'000	**RM'000**	RM'000
Cost of sales				
Cost of goods sold	**9,488**	9,168	**-**	-
Cost of services	**467**	7,282	**-**	-
	9,955	16,450	**-**	-

The cost of inventories recognised as an expense during the financial period in the Group was Nil.

6. OTHER INCOME

	Group		Company	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021	**Period from 01/07/2021 to 31/12/2022**	Period from 01/01/2020 to 30/06/2021
	RM'000	RM'000	**RM'000**	RM'000
Waive of payment due to liquidation of subsidiary	**-**	38	**-**	-
Gain on revalued of investment properties	**2,371**	-	**2,371**	-
Gain on disposal of motor vehicle	**29**	-	**7**	-
Interest income	**1**	1	**-**	-
Rental income	**851**	428	**851**	428
Waive of payment from trade creditor	**-**	1,531	**-**	-
Management fee	**-**	-	**392**	256
	3,252	1,998	**3,621**	684

7. EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021	**Period from 01/07/2021 to 31/12/2022**	Period from 01/01/2020 to 30/06/2021
	RM'000	RM'000	**RM'000**	RM'000
Salaries, bonus, allowance others	**1,050**	866	**242**	336
Contribution to Employees Provident Fund	**157**	94	**30**	41
Social security costs	**16**	12	**2**	4
	1,223	972	**274**	381

The total number of employees of the Group and the Company (including directors) at the financial period ended 31 December 2022 was 20 and 6 (30 June 2021 : 23 and 8)

Included in employee benefits expenses of the Group and of the Company are directors' remuneration. The details of remuneration receivable by directors of the Company during the period are as follows:

	Group		Company	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021	**Period from 01/07/2021 to 31/12/2022**	Period from 01/01/2020 to 30/06/2021
	RM'000	RM'000	**RM'000**	RM'000
Directors' remuneration:				
Directors' allowances and fees				
Ahmad bin Md Daud	-	1	-	1
Nik Md Nor Suhaimi bin Nik Ibrahim	-	1	-	1
	-	2	-	2

The number of directors of the Company whose total remuneration during the financial period fell within the following bands is analysed below :

	Number of directors	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021
Non executive directors :		
RM0 to RM50,000	-	3
Managing director :		
RM0 to RM50,000	-	1

8. PROFIT/(LOSS) BEFORE INCOME TAX

	Group		Company	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021	**Period from 01/07/2021 to 31/12/2022**	Period from 01/01/2020 to 30/06/2021
	RM'000	RM'000	**RM'000**	RM'000
Profit/(Loss) before tax is arrived at after charging:				
Auditors' remuneration				
- current period	**125**	110	**83**	81
- Over provision in prior period	**(21)**	(24)	**(25)**	(15)
Depreciation of property, plant and equipment	**52**	32	**23**	19
Property, plant and equipment written off	**-**	-	**-**	-
Rental expense:				
- motor vehicles	**-**	2	**-**	-
- office premises	**225**	252	**206**	207
- office equipment	**3**	3	**-**	-
- overprovision of rental of office equipment	**-**	(14)	**-**	(14)
Allowance for expected credit loss (Note 17)	**387**	2,570	**201**	-
Reversal of allowance for expected credit loss due to liquidation (Note 17)	**-**	(3,675)	**-**	-
Doubtful debt recovered (Note 17)	**-**	(2)	**-**	-
Write off of subsidiary due to liquidation	**-**	7,809	**-**	-
Depreciation of right-of-use assets	**13**	25	**13**	25
Write off of other receivable	**-**	93	**-**	63
Write off of trade receivable	**666**	91	**-**	-
Write off of inventory	**-**	57	**-**	-
Write off of bank balances	**-**	35	**-**	4

9. INCOME TAX EXPENSES/(CREDIT)

	Group		Company	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021	**Period from 01/07/2021 to 31/12/2022**	Period from 01/01/2020 to 30/06/2021
	RM'000	**RM'000**	**RM'000**	RM'000
Income tax				
Current period	**99**	63	**15**	-
	99	63	**15**	-
Deferred tax (Note 15)				
Current period	**103**	(72)	**102**	1
Under/(Over) provision in prior period	**251**	(7)	**-**	(2)
	354	(79)	**102**	(1)
Income tax expenses/(credit)	**453**	(16)	**117**	(1)

9. INCOME TAX EXPENSES/(CREDIT) (CONT'D)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% assessable profit for the period.

The reconciliation between tax expenses/(credit) and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the period ended 31 December 2022 and 30 June 2021 are as follows:

	Group		Company	
	Period from 01/07/2021 to 31/12/2022	Period from 01/01/2020 to 30/06/2021	**Period from 01/07/2021 to 31/12/2022**	Period from 01/01/2020 to 30/06/2021
	RM'000	RM'000	**RM'000**	RM'000
Profit/(Loss) before income tax	**1705**	427	**2253**	(193)
Taxation at Malaysian statutory tax rate of 24%	**409**	102	**541**	(46)
Expenses not deductible for tax purposes	**247**	286	**63**	29
Income not subject to tax	**(492)**	-	**(487)**	-
Deferred tax assets not recognised during the period (note 15)	**38**	-	**-**	18
Utilisation of previously unrecognised tax losses and unabsorbed capital allowance	**-**	(397)	**-**	-
Under/(Over) provision of deferred tax in prior financial periods	**251**	(7)	**-**	(2)
Income tax expenses/(credit)	**453**	(16)	**117**	(1)

10. EARNINGS PER SHARE

(a) Basic

Basis earnings per share is calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period, as follows:

	Group	
	As at 31/12/2022	As at 30/06/2021
	RM'000	RM'000
Consolidated profit attributable to equity holders of the Company	**1,281**	451
Weighted average number of ordinary shares in issue ('000)	**82,000**	82,000
Basic earning per share (sen)	**1.56**	0.55

10. EARNINGS PER SHARE (CONT'D)

(b) Diluted

Diluted earning per share is calculated by dividing the profit/(loss) for the period attributable to equity holders of the parent Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	Group	
	As at 31/12/2022 RM'000	As at 30/06/2021 RM'000
Consolidated profit attributable to equity holders of the Company	**1,281**	451
Weighted average number of ordinary shares in issue ('000)	**-**	97,000
Basic earning per share (sen)	**-**	0.46

11. INVESTMENT IN SUBSIDIARIES

	Company	
	2022 RM'000	2021 RM'000
Unquoted shares, at cost	**49,350**	49,350
Less: Accumulated impairment loss	**(13,815)**	(13,815)
	35,535	35,535

(a) Details of the subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest	
			2022 %	2021 %
PJBumi Enviro Sdn. Bhd. *(Formerly known as PJBumi Waste Management Sdn. Bhd.)*	Investment holding,solid waste management, garbage collection, area cleaning and other environmental related activities	Malaysia	**100**	100
PJBumi Heavy Engineering & Services Sdn. Bhd.	Manufacture and sale of Fibre Reinforced Plastic ("FRP") Sewerage treatment plants and other FRP products. 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

11. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows: (cont'd)

Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest 2022 %	2021 %
PJBumi Digital Sdn.Bhd. *(Formerly known as PJBumi Construction Sdn.Bhd.)*	To carry on the business of information technology, computer software development, computer programming, data processing, hosting, designing, and related services and to act as consultants in respect of computers, computer technology, support system and outsourcing support services. To carry on the business as contractors, engineers, architects, estimators and designers and to undertake works on contract basis for civil engineering, mechanical engineering, electrical engineering and erection engineering.	Malaysia	**100**	100
PJBumi Resources Sdn. Bhd.	Commodity trading, industrial products products trading and marketing services	Malaysia	**100**	100
Goldix Resources Sdn. Bhd.	Investment holding	Malaysia	**70**	70
Subsidiary of PJBumi Enviro Sdn. Bhd. *(Formerly known as PJBumi Waste Managenent Sdn. Bhd.)*				
Kemudi Majujaya Sdn. Bhd.	Trading, investment holding and property	Malaysia	**100**	100

(b) Non-controlling interests in a subsidiary

The Company's non-wholly owned subsidiary is Goldix Resources Sdn Bhd where 30% equity interest and voting rights are held by non-controlling interests. The details or profit allocated to the non-controlling interests during the financial year as at the end of the reporting period are as follows:-

	Group 2022 RM	2021 RM
Allocated to non-controlling interests:		
- Loss for the period	**(29,154)**	(8,226)

Summarised financial information of Goldix Resources Sdn Bhd is set out below. The summarised financial information is presented before inter-company eliminations.

11. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Non-controlling interests in a subsidiary (cont'd)

Summarised assets and liabilities

	2022 RM	2021 RM
Current assets	**1,006,917**	1,006,917
Current liabilities	**398,176**	300,997
Net assets	**608,741**	705,920

Summarised profit or loss and other comprehensive income

	Period from 1/7/2021 to 31/12/2022 RM'000	Period from 1/1/2020 to 30/06/2021 RM'000
Loss for the period	**(97,180)**	(27,420)

12. PROPERTY, PLANT AND EQUIPMENT

Group	Furniture, fittings, computers, equipment and machinery RM'000	Motor vehicles RM'000	Total RM'000
As at 31 December 2022			
Cost			
At 1 July 2021	**4,315**	**1,349**	**5,664**
Addition	**126**	**-**	**126**
Disposal	**-**	**(1,157)**	**(1,157)**
At 31 December 2022	**4,441**	**192**	**4,633**
Accumulated depreciation and impairment loss			
At 1 July 2021			
Accumulated depreciation	**4,268**	**1,349**	**5,617**
Depreciation for the period	**52**	**-**	**52**
Disposal	**-**	**(1,157)**	**(1,157)**
At 31 December 2022	**4,320**	**192**	**4,512**
Net carrying amount			
At 31 December 2022	**121**	**-**	**121**

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

Group	Furniture, fittings, computers, equipment and machinery RM'000	Motor vehicles RM'000	Total RM'000
As at 30 June 2021			
Cost			
At 1 January 2020	4,294	1,349	5,643
Addition	21	-	21
At 30 June 2021	4,315	1,349	5,664
Accumulated depreciation and impairment loss			
At 1 January 2020			
Accumulated depreciation	4,239	1,346	5,585
Depreciation for the period	29	3	32
At 30 June 2021	4,268	1,349	5,617
Net carrying amount			
At 30 June 2021	47	-	47

Company	Furniture, fittings, computers, equipment and machinery RM'000	Motor vehicles RM'000	Total RM'000
As at 31 December 2022			
Cost			
At 1 July 2021	**2,210**	**726**	**2,936**
Disposal	**-**	**(546)**	**(546)**
At 31 December 2022	**2,210**	**180**	**2,390**
Accumulated depreciation and impairment loss			
At 1 July 2021			
Accumulated depreciation	**2,171**	**726**	**2,897**
Depreciation for the period	**23**	**-**	**23**
Disposal	**-**	**(546)**	**(546)**
At 31 December 2022	**2,194**	**180**	**2,374**
Net carrying amount			
At 31 December 2022	**16**	**-**	**16**

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

Company	Furniture, fittings, computers, equipment and machinery RM'000	Motor vehicles RM'000	Total RM'000
As at 30 June 2021			
Cost			
At 1 January 2020	2,189	726	2,915
Addition	21	-	21
At 30 June 2021	2,210	726	2,936
Accumulated depreciation and impairment loss			
At 1 January 2020			
Accumulated depreciation	2,152	726	2,878
Depreciation for the period	19	-	19
At 30 June 2021	2,171	726	2,897
Net carrying amount			
At 30 June 2021	39	-	39

13. INVESTMENT PROPERTIES

	Group and Company	
	As at 31/12/2022 RM'000	As at 30/06/2021 RM'000
As at 1 July 2021/1 January 2019	**10,709**	10,709
Fair value adjustment	**2,371**	-
As at 31 December 2022/30 June 2021	**13,080**	10,709

Fair value of the freehold land and buildings was determined using the market/comparison method. The fair values are within level 2 of the fair value hierarchy. For valuation using market/comparison method, valuations performed by independent professional valuer are based on transacted market prics, adjusted for differences in location, size, tenure and other differences of the specific land and buildings.

During the financial period ended 31 December 2022, the fair values are based on valuation performed by an independent professional valuer with experience in valuing land and buildings of similar nature. As a result, fair value adjustment of RM2.37 million in respect of the freehold land and buildings, were recognised in the statement of profit or loss during the financial period ended 31 December 2022. The fair value of investment properties of the Group and the Company as at 31 December 2022 is classified as Level 2 of the fair value hierarchy and is determined to be approximately RM13,080,000 (2021 : RM 10,709,000)

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both.

There are three properties owned by the Company, two of the are located in Sungai Petani Industrial area in Kedah and one shoplot unit located in Taman Setiawangsa, Kuala Lumpur.

13. INVESTMENT PROPERTIES (CONT'D)

On 17th January 2023, there was a fire incident at one of the tenanted plants in Sungai Petani, Kedah. The damages sustained from the fire incident were restricted to one block of the factory. The other block of the factory was not affected and production activities from tenant were running as normal.

The Management had appointed an external certified valuer on 15th February 2023 to revalue the asset affected by the fire incident and other investment properties.The valuation of investment properties were prepared using a comparative method of valuation. The Group has accessed on the current valuation of the properties and has made necessary fair value adjustments to the properties.

The following are recognised in profit or loss in respect of investment properties:

	Group and Company	
	As at 31/12/2022 RM'000	As at 30/06/2021 RM'000
Lease income	**850**	394
Direct operating expenses	**(25)**	(14)

14. RIGHT-OF-USE-ASSETS

As a lessee

The Group and the Company have long term lease of equipment of five (5) years which the lease term is more than 12 months. The lease is non cancellable and the payment is RM850 per month.

Other lease related to premise is having the lease term of 12 months or less. Therefore the Group and the Company apply the 'short term lease' recognition exemptions for this lease.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the financial period.

	Group and Company	
	As at 31/12/2022 RM'000 Equipment	As at 30/06/2021 RM'000 Equipment
As at 1 July/1 January, upon adoption of MFRS 16	**19**	44
Depreciation	**(13)**	(25)
As at 31 December/30 June	**6**	19

15. DEFERRED TAX (ASSETS)/LIABILITIES

Deferred tax assets and liabilities are attributable to the following:

Group	Assets 2022 RM'000	Assets 2021 RM'000	Liabilities 2022 RM'000	Liabilities 2021 RM'000	Net 2022 RM'000	Net 2021 RM'000
Property, plant and equipment	**-**	-	**-**	3	**-**	3
Unabsorbed capital allowance	**-**	(4)	**-**	-	**-**	(4)
Investment properties	**-**	-	**103**	-	**103**	-
Provision for doubtful debt	**-**	(74)	**-**	-	**-**	(74)
Unutilised tax losses	**-**	(176)	**-**	-	**-**	(176)
	-	(254)	**103**	3	**103**	(251)

Company	Assets 2022 RM'000	Assets 2021 RM'000	Liabilities 2022 RM'000	Liabilities 2021 RM'000	Net 2022 RM'000	Net 2021 RM'000
Property, plant and equipment	**-**	-	**-**	1	**-**	1
Investment properties	**-**	-	**103**	-	**103**	-
	-	-	**103**	1	**103**	1

The components and movement of deferred tax liabilities and assets during the year prior to offsetting are as follows (stated at gross):

Deferred tax assets of the Group:

	Unabsorbed Capital Allowance RM'000	Provision for doubtful debt RM'000	Unutilised tax losses RM'000	Total RM'000
At 1 January 2020	(833)	-	(7,879)	(8,712)
Recognised in profit and loss	4	(74)	-	(70)
Loss of control of subsidiary	825	-	7,703	8,528
At 30 June 2021	**(4)**	**(74)**	**(176)**	**(254)**
Recognised in profit and loss	**4**	**74**	**176**	**254**
At 31 December 2022	**-**	**-**	**-**	**-**

15. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

Deferred tax liabilities of the Group:

	Property, plant and equipment RM'000	Investment Properties RM'000	Total RM'000
At 1 January 2020	8,668	-	8,668
Recognised in profit and loss	(9)	-	(9)
Loss of control of subsidiary	(8,656)	-	(8,656)
At 30 June 2021	**3**	**-**	**3**
Recognised in profit and loss	**(3)**	**103**	**100**
At 31 December 2022	**-**	**103**	**103**

Deferred tax liabilities of the Company:

	Property, plant and equipment RM'000	Investment Properties RM'000	Total RM'000
At 1 January 2020	2	-	2
Recognised in profit and loss	(1)	-	(1)
At 30 June 2021	**1**	**-**	**1**
Recognised in profit and loss	**(1)**	**103**	**102**
At 31 December 2022	**-**	**103**	**103**

Deferred tax assets have not been recognised in respect of the following temporary differences (stated at gross):

	Group		Company	
	2022 RM'000	2021 RM'000	**2022 RM'000**	2021 RM'000
Unutilised business losses	**-**	56	**-**	56
Unabsorbed capital allowances	**-**	18	**-**	18
Unutilised tax losses	**38**	-	**-**	-
	38	74	**-**	74

Deferred tax asset have not been recognised in respect of the items because it is not probable that future taxable profit will be available against which the Company and its subsidiaries can utilise the benefits.

The unutilised business losses, unabsorbed capital allowances and other deductible temporary differences are available indefinitely for offset against future taxable profits subject to no substantial change in shareholdings of the Company and the respective subsidiaries under Section 44(5A) and (5B) of Income Tax Act, 1967.

16. GOODWILL ON CONSOLIDATION

	Group	
	2022	2021
	RM'000	RM'000
Cost		
At the beginning of the period/year	**15,313**	15,313

Goodwill acquired in business combinations is allocated, at acquisition, to cash-generating units ("CGU") that are expected to benefit from the business combinations. The carrying amount of goodwill has been allocated to the investment in Goldix Resources Sdn. Bhd.

The recoverable amount of CGU is determined base on value-in-use, which apply a discounted cash flow model using cash flow projections based on financial budget and projections approved by management.

The key assumptions on which the management has based on for the computation of value-in-use are as follows:

(i) Cash flow projection

The three-year cash flow projections are based on the most recent budget approved by the management.

(ii) Discount rate

The discount rate of 7.52% is applied to the cash flow projections. The discount rate was based on the Group's weighted average cost of capital. The Group believes that any reasonably possible change in the above key assumptions applied are not likely to materially cause recoverable amount to be lower than its carrying amount.

There is no impairment made on goodwill in period ended 31 December 2022 since the recoverable amount is more than its carrying amount.

17. TRADE AND OTHER RECEIVABLES

	Note	Group	
		2022	2021
		RM'000	RM'000
Trade			
Trade receivables	17.1	**5,336**	5,721
Less: Allowance for expected credit loss	17.3	**(3,976)**	(3,589)
		1,360	2,132
Non-trade			
Other receivables		**2,279**	2,405
Less: Allowance for expected credit loss		**(204)**	(204)
		2,075	2,201
Deposits		**135**	136
Prepayments		**206**	203
		2,416	2,540
Total trade and other receivables		**3,776**	4,672

17. TRADE AND OTHER RECEIVABLES (CONT'D)

	Note	Company 2022 RM'000	2021 RM'000
Trade			
Trade receivables	17.1	**694**	493
Less: Allowance for expected credit loss	17.3	**(694)**	(493)
		-	-
Non-trade			
Amounts due from subsidiaries	17.2	**1,396**	1,516
Other receivables		**8**	1
Deposits		**39**	51
Total trade and other receivables		**1,443**	1,568

Note 17.1
The Group's and the Company's normal trade credit term is 30 to 60 days (2021: 30 to 60 days). Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

Note 17.2
The amount due from subsidiaries 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.

Note 17.3
The movement of allowance accounts used to record the individual impairment are as follows:

	Group 2022 RM'000	2021 RM'000
As at 1 July/1January	**3,589**	4,696
Doubtful debt recovered	**-**	(2)
Loss of control of subsidiary	**-**	(3,675)
Charge for the period	**387**	2,570
As at 31 December/30 June	**3,976**	3,589

	Company 2022 RM'000	2021 RM'000
As at 1 July/1 January	**493**	493
Charge for the period	**201**	-
As at 31 December/ 30 June	**694**	493

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

18. SHARE CAPITAL AND RESERVES

Share capital

	Group and Company Number of ordinary shares	
	2022	2021
	000 unit	000 unit
Issued and fully paid:		
At the beginning/end of the financial period	**82,000**	82,000
	82,000	82,000

	Amount	
	2022	2021
	RM'000	RM'000
Issued and fully paid:		
At the beginning/end of the financial period	**44,473**	44,473
	44,473	44,473

Reserves

		Group		Company	
	Note	**2022**	2021	**2022**	2021
		RM'000	RM'000	**RM'000**	RM'000
Accumulated losses		**(23,024)**	(24,386)	**(23,768)**	(25,985)
Non-distributable:					
Revaluation reserve	(a)	**2,694**	4,694	**2,694**	2,694
Warrant reserve	(b)	**-**	81	**-**	81
		2,694	4,775	**2,694**	2,775
Loss of control of subsidiary		**-**	(2,000)	**-**	-
		2,694	2,775	**2,694**	2,775

18. SHARE CAPITAL AND RESERVES (CONT'D)

(a) Revaluation reserve

The revaluation reserve is difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value.

(b) Warrant reserve

The salient point of the warrants are as follows:

i.	Total number of warrant issued	:	14,999,996
ii.	Total number of warrant outstanding	:	14,999,996
iii.	Exercise period	:	The exercise period is any time within a period of 5 years from the date issue up to the expiry date of 5 July 2022.
iv.	Exercise price per warrant	:	RM0.50 each and subject to adjustments (where applicable) with the conditions provided in Deed Pool.
v.	Warrant entitlement	:	Each warrant entitles the warrant holder during the exercise period to subscribe for every ten (10) existing shares held.

19. TRADE AND OTHER PAYABLES

		Group	
	Note	**2022**	2021
		RM'000	RM'000
Current			
Trade			
Trade payables	19.1	**1,158**	934
Non-trade			
Other payables		**2,263**	2,082
Accrued expenses		**643**	796
		4,064	3,812
Non-current			
Non-trade			
Amount due to a director	19.2	**602**	1,001

19. TRADE AND OTHER PAYABLES (CONT'D)

	Note	Company 2022 RM'000	2021 RM'000
Current			
Trade			
Trade payable		**425**	33
Non-trade			
Other payables		**1,059**	1,192
Deposit payables		**238**	121
Accrued expenses		**331**	404
Amount due to subsidiaries	19.3	**21,778**	21,484
		23,831	23,234
Non-current			
Non-trade			
Amount due to a director	19.2	**378**	1,001

Note 19.1
Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and to the Company range from 30 days to 60 days. (2021: 30 days to 60 days)

Note 19.2
The amount due to a director, Adlin bin Shaharudin 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.

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 decision, 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 another entities.

Note 19.3
The amount due to subsidiaries 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.

20. LEASE LIABILITY

	Group and Company	
	2022	2021
	RM'000	RM'000
Minimum lease payments:		
- Not later than 1 year	**7**	10
- Later than one year but not later than 5 years	**-**	11
Less: Future finance charges on finance lease	**-**	(1)
	7	20
Present value of lease liability		
- Not later than 1 year	**7**	9
- Later than one year but not later than 5 years	**-**	11
	7	20

The following are recognised in profit or loss:

	Group and Company	
	2022	2021
	RM'000	RM'000
Lease liability	**20**	45
Payment relating to short-term lease	**13**	25
	7	20

21. SEGMENTAL REPORTING

For management purposes, the Group is organised into business segments based on their products and services. The Group's chief operation decision maker reviews the information of each business segment on at least monthly basis for the purpose of resource and allocation and assessment of segment performance.

Accordingly, the Group's reportable segments under MFRS 8 are as follows:

(i) Manufacturing, Engineering, Operation, Maintenance and design
- manufacturing and sale of Fibre Reinforced Plastic ("FRP"), Reinforced Concrete Sewerage Treatment Plants ("STP"), Underground Storage Tanks ("UST") and other FRP products.
- provision of after-sales support services including connecting works of fibre plastic tanks and mechanical and engineering equipment, providing maintenance, upgrading and/or rectification works, desludging works and sludge treatment

21. SEGMENTAL REPORTING

Accordingly, the Group's reportable segments under MFRS 8 are as follows:

(ii)	Environmental management services	-	solid waste management, garbage collection, area cleaning, dump processing and other environmental management related activities
(iii)	Construction & Project	-	undertake construction works for civil, mechanical, electrical and erection engineering
(iv)	Resources, Commodity and General Trading	-	commodity/general trading and marketing related business
(v)	Investment	-	investment holding and management services

Segment revenue and results

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2.4 (r). Segment results represent profit or loss before finance costs, interest income and tax expense. Inter-segment transactions are entered into in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

Segment assets

Segment assets are measured based on all assets of the segment, excluding deferred tax assets and tax recoverable.

Segment liabilities

Segment liabilities are measured based on all liabilities, excluding tax liabilities and deferred tax liabilities.

21. SEGMENTAL REPORTING (CONT'D)

Business segment

	Manufacturing, Engineering, Operation, maintenance and design RM'000	Environmental management services RM'000	Construction & Project RM'000	Resources & Commodity Trading RM'000	Investment RM'000	Adjustments and Eliminations RM'000	Consolidated RM'000
Period from 1/7/2021 to 31/12/2022							
Segment Revenue							
External customers	410	62	11,300	518	-	-	12,290
Inter-segment revenue	10,746	-	-	-	-	(10,746)	-
	11,156	62	11,300	518	-	(10,746)	12,290
Segment results	426	(1,037)	222	(159)	2,254	-	1,706
Finance costs	-	-	-	-	(1)	-	(1)
Interest income	-	-	-	-	-	-	-
Profit/(Loss) before	426	(1,037)	222	(159)	2,253	-	1,705
Tax expenses	(252)	-	(84)	-	(117)	-	(453)
Profit/(Loss) for the period	174	(1,037)	138	(159)	2,136	-	1,252

21. SEGMENTAL REPORTING (CONT'D)

Business segment (cont'd)

	Manufacturing & Trading RM'000	Engineering, Operation, maintenance and design RM'000	Environmental management services RM'000	Construction & Project RM'000	Resources & Commodity Trading RM'000	Investment RM'000	Adjustments and Eliminations RM'000	Consolidation - continuing operations RM'000	Discontinued operation RM'000
Period from 1/1/2020 to 30/06/2021									
Segment Revenue									
External customers	-	5,504	1,740	800	9,844	-	-	17,888	
	-	5,504	1,740	800	9,844	-	-	17,888	
Segment results	11	(380)	(7,711)	(1,721)	264	(189)	10,158	(9,726)	10,158
Finance costs	-	-	-	-	-	(5)	-	(5)	
Interest income	-	-	-	-	-	-	-	-	
Profit/(Loss) before tax	11	(380)	(7,711)	(1,721)	264	(194)	10,158	(9,731)	
Tax (credit)/expense	-	68	8	1	(63)	2	-	16	
Profit/(Loss) for the year	11	(312)	(7,703)	(1,720)	201	(192)	10,158	(9,715)	

21. SEGMENTAL REPORTING (CONT'D)

Business segment (cont'd)

	Manufacturing Engineering, Operation, maintenance and design RM'000	Environmental management services RM'000	Construction & Project RM'000	Resources & Commodity Trading RM'000	Investment RM'000	Adjustments and Eliminations RM'000	Consolidated RM'000
As at 31 December 2022							
Segment assets	1,907	23,919	1,830	839	50,145	(46,238)	32,402
Tax liabilities	-	737	75	61	2,427	-	3,300
Deferred tax liabilities	-	-	-	-	103	-	103
Segment liabilities	1,391	1,568	2,680	835	24,216	(26,017)	4,673
Total liabilities	1,391	2,305	2,755	896	26,746	(26,017)	8,076
Depreciation of property, plant and equipment	26	1	-	2	23	-	52
Depreciation on Right-of-use assets	-	-	-	-	13	-	13
Allowance for expected credit loss	24	147	15	-	201	-	387
Gain on disposal of motor vehicles	-	(22)	-	-	(7)	-	(29)
Gain on revaluation of investment properties	-	-	-	-	(2,371)	-	(2,371)
Write off of receivables	-	666	-	-	-	-	666
Interest income	-	(1)	-	-	-	-	(1)
Interest expenses	-	-	-	-	1	-	1
Lease liability	-	-	-	-	7	-	7

Included in the measure of segment assets are additions to non-current assets other than financial instruments and deferred tax assets.

Included in the measure of segment liabilitiess are additions to non-current liabilities and current liabilities other than financial instruments and deferred tax liabilities.

21. SEGMENTAL REPORTING (CONTINUED)

Business segment (continued)

	Manufacturing & Trading RM'000	Engineering, Operation, maintenance and design RM'000	Waste management services RM'000	Construction & Project RM'000	Resources & Commodity Trading RM'000	Investment RM'000	Adjustments and Eliminations RM'000	Consolidation - continuing operations RM'000	Discontinued operations RM'000
As at 30 June 2021									
Deferred tax assets	-	254	-	-	-	-	-	254	-
Segment assets	8,550	1,023	25,118	1,224	808	47,935	(53,795)	30,863	8,458
Total assets	8,550	1,277	25,118	1,224	808	47,935	(53,795)	31,117	8,458
Tax liabilities	-	-	737	(9)	63	2,414	-	3,205	2,407
Deferred tax liabilities	-	-	-	-	-	3	-	3	128
Segment liabilities	16,291	814	1,730	2,298	642	24,256	(41,198)	4,833	16,081
Total liabilities	16,291	814	2,467	2,289	705	26,673	(41,198)	8,041	18,616
Depreciation of property, plant and equipment	-	6	6	1	-	19	-	32	-
Depreciation of Right-of-use assets	-	-	-	-	-	25	-	25	-
Write-off of inventories	-	-	-	-	-	-	-	57	-
Write off of receivables	-	-	24	97	-	63	-	184	-
Interest income	-	(1)	-	-	-	-	-	(1)	-
Interest expenses	-	-	-	-	-	5	-	5	-
Lease liability	-	-	-	-	-	20	-	20	-

Included in the measure of segment assets are additions to non-current assets other than financial instruments and deferred tax assets.

Included in the measure of segment liabilitiess are additions to non-current liabilities and current liabilities other than financial instruments and deferred tax liabilities.

21. SEGMENTAL REPORTING (CONT'D)

Business segment (cont'd)

Nature of elimination to arrive amount reported in the consolidated financial statements:

a) Inter-segment revenue is eliminated in consolidation statements

b) Inter-segment expenses are eliminated on consolidation; and

c) Inter-segment assets and liabilities are eliminated on consolidation.

Major customers

The following are major customers with revenue equal or more than 10% of the Group's revenue:

	Revenue		Segment
	2022	2021	
	RM'000	RM'000	
- Customer A	**-**	1,111	Waste management services
- Customer B	**-**	9,263	Resources, Commodity trading trading
- Customer C	**11,300**	800	Construction & Project

22. FINANCIAL INSTRUMENTS

22.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 December 2022 categorised as Amorised Cost ("AC"). The details as follows:

As at 31 December 2022 Financial assets	Carrying amount RM'000	AC RM'000
Group		
Trade and other receivables	**3,776**	**3,776**
Cash and bank balances	**106**	**106**
	3,882	**3,882**
Company		
Trade and other receivables	**1,443**	**1,443**
Cash and bank balances	**65**	**65**
	1,508	**1,508**

22. FINANCIAL INSTRUMENTS (CONT'D)

22.1 Categories of financial instruments (cont'd)

As at 31 December 2022 (cont'd)

As at 31 December 2022 Financial liabilities	Carrying amount RM'000	AC RM'000
Group		
Trade and other payables	**4,666**	**4,666**
Company		
Trade and other payables	**24,209**	**24,209**

The table below provides an analysis of financial instruments as at 30 June 2021 categorised as follows:

As at 30 June 2021 Financial assets	Carrying amount RM'000	AC RM'000
Group		
Trade and other receivables	4,672	4,672
Cash and bank balances	101	101
	4,773	4,773
Company		
Trade and other receivables	1,568	1,568
Cash and bank balances	62	62
	1,630	1,630

As at 30 June 2021 Financial liabilities	Carrying amount RM'000	AC RM'000
Group		
Trade and other payables	4,813	4,813
Company		
Trade and other payables	24,235	24,235

22. FINANCIAL INSTRUMENTS (CONT'D)

22.2 Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Managing Director and Financial Controller. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken. The Group and the Company do not apply hedge accounting.

The Group's and the Company's exposure to the financial risks and the objectives, policies and processes put in place to manage these risks are discussed below:

(i) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk primarily arises from its trade and other receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position and financial guarantee to a bank in respect of banking facility granted to an affiliated company.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all new customers who wish to trade on credit terms are subject to credit evaluation procedures. In addition, receivable balances are monitored on an ongoing basis to minimise the Company's exposure to bad debts.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group and the Company practice prudent liquidity risk management to minimise the mismatch of financial assets and financial liabilities. This include maintains adequate cash and cash equivalent by the management to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The repayment schedule of most defaulted banking facilities of the Group and of the Company have been restructured in the previous years. The Group actively manages its operating cash flows so as to ensure that all repayment and funding needs are met.

22. FINANCIAL INSTRUMENTS (CONT'D)

22.2 Financial risk management objectives and policies (cont'd)

(ii) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturity

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations:

	On demand RM'000	Within 1 year RM'000	Within 1 to 5 years RM'000	More than 5 years RM'000	Total contractual cash flow RM'000	Total carrying amount RM'000
As at 31 December 2022						
Financial liabilities:						
Group						
Trade payables	**1,158**	**-**	**-**	**-**	**1,158**	**1,158**
Other payables	**2,906**	**-**	**602**	**-**	**3,508**	**3,508**
	4,064	**-**	**602**	**-**	**4,666**	**4,666**
Company						
Other payables	**23,831**	**-**	**378**	**-**	**24,209**	**24,209**
As at 30 June 2021						
Financial liabilities:						
Group						
Trade payables	934	-	-	-	934	934
Other payables	2,878	-	1,001	-	3,879	3,879
	3,812	-	1,001	-	4,813	4,813
Company						
Other payables	23,234	-	1,001	-	24,235	24,235

22. FINANCIAL INSTRUMENTS (CONT'D)

22.2 Financial risk management objectives and policies (cont'd)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's has no exposure to interest rate risk since the all borrowings has been settled.

22.3 Fair value information

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

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

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

It is not practical to estimate the fair value of the Company's investment in unquoted shares due to lack of active market to determine reliably the fair value of the financial asset. The carrying amount of other financial assets and liabilities recognised in the statements of financial position approximate their fair values.

The following table presents the Group's and the Company's financial assets and liabilities that are measured at fair value as at 31 December 2022 and 30 June 2021 into three different levels as defined below:

	Fair value of financial instruments not carried at fair value			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Carrying amount RM'000
Financial assets				
As at 31 December 2022				
Group				
Trade and other receivables	-	-	**3,776**	**3,776**
Cash and bank balances	-	-	**106**	**106**
	-	-	**3,882**	**3,882**
Company				
Investment in subsidiaries	-	-	**35,535**	**35,535**
Trade and other receivables	-	-	**1,443**	**1,443**
Cash and bank balances	-	-	**65**	**65**
	-	-	**37,043**	**37,043**

22. FINANCIAL INSTRUMENTS (CONT'D)

22.3 Fair value information (cont'd)

(a) Cash and cash equivalents, trade and other receivables and payables (cont'd)

	Fair value of financial instruments not carried at fair value			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Carrying amount RM'000
Financial assets				
As at 30 June 2021				
Group				
Trade and other receivables	-	-	4,672	4,672
Cash and bank balances	-	-	101	101
	-	-	4,773	4,773
Company				
Investment in subsidiaries	-	-	35,535	35,535
Trade and other receivables	-	-	1,568	1,568
Cash and bank balances	-	-	62	62
	-	-	37,165	37,165
Financial liabilities				
As at 31 December 2022				
Group				
Trade and other payables	-	-	**4,666**	**4,666**
	-	-	**4,666**	**4,666**
Company				
Trade and other payables	-	-	**24,209**	**24,209**
	-	-	**24,209**	**24,209**
As at 30 June 2021				
Group				
Trade and other payables	-	-	4,813	4,813
	-	-	4,813	4,813
Company				
Trade and other payables	-	-	24,235	24,235
	-	-	24,235	24,235

22. FINANCIAL INSTRUMENTS (CONT'D)

22.3 Fair value information (cont'd)

(b) Investment properties

The following table presents the Group's and the Company's financial assets that are measured at fair value as at 31 December 2022 into three different levels as defined below:

	Fair value of financial instruments carried at fair value			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Carrying amount RM'000
As at 31 December 2022				
Financial Assets				
Group and Company				
Investment properties	**-**	**13,080**	**-**	**13,080**
As at 30 June 2021				
Financial Assets				
Group and Company				
Investment properties	-	-	10,709	10,709

(i) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There were a transfer from level 3 to level 2 for the investment properties during the current financial period.

(ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(iii) Level 2 fair value

Level 2 fair value is estimated using inputs other than quited prices included within Level 1 that are observable for the asset or liability, either directly(i.e. as prices) or indirectly (i.e. derived from prices).

Non-derivative financial instruments

Fair value which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting year.

22. FINANCIAL INSTRUMENTS (CONT'D)

22.3 Fair value information (cont'd)

(b) Investment properties (cont'd)

(iv) Level 3 fair value

Level 3 fair values for the financial assets and liabilities are estimated using unobservable inputs.

The fair value of finance lease liabilities is calculated using discounted cash flows where the market rate of interest is determined by reference to similar lease arrangements.

23. SUBSEQUENT EVENTS DURING THE FINANCIAL PERIOD

Fire Incident

On 17th January 2023, there was a fire incident at one of the tenanted plants in Sungai Petani, Kedah. The fire incident did not result in any fatalities and none of the workers there were injured.

The fire broke out around 5 a.m. at the affected plant which consists of two single-storey factory buildings. The damages sustained from the fire incident were restricted to one block of the factory. The other block of the factory was not affected and production activities from tenant were running as normal.

The Forensic unit from the Fire Department has reported that cause of the fire was purposely ignited at the premise rented. The Management will claim all the damages to the tenant including reinstate the damaged factory. The management also had appointed a certified valuer on 15th February 2023 to revalue the asset affected by the fire incident.

24. 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 decision, 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 another entities.

Related parties also include key management personnel as those persons having authority and responsibility for planning, directing, and controlling the activities of the Company either directly or indirectly. The key management personnel includes all the Directors of the Company.

The Group has related party relationship with its key management personnel (Refer note 7).

25. MATERIAL LITIGATION

On 2 October 2020, Goldix Resources Sdn Bhd ("GRSB"), a subsidiary of the Company had received a statement of claim from HRA Resources Sdn Bhd for the sum of RM 2.5 million pursuant to the Payment Agreement dated 7 October 2016.

GRSB defence was that the Plaintiff has not performed its covenants and therefore there is no payment due to Plaintiff. The High Court had allowed the Plaintif's claim against GRSB and defendant has now appealed to the Court of Appeal which is fixed for hearing on 18 May 2023.

26. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maintain on optimal capital structure in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is the total debt divided by total capital plus total debt. Total debt includes trade and other payables, loans and borrowings. Total Capital of the Group represents equity attributable to owners of the parent.

The debt to equity ratio as at 31 December 2022 and 30 June 2021 are as follows:

	Note	**2022 RM'000**	2021 RM'000
Trade and other payables	19	**4,064**	3,812
Total debts		**4,064**	3,812
Equity attributable to owners of the parent		**24,143**	22,862
Capital and total debts		**28,207**	26,674
Gearing ratio		**0.14**	0.14

PROPERTIES HELD **BY THE GROUP**

No	Address	Description	Sq.Ft	Existing use	Tenure	Age of building	*Net book value
1.	Lot 46-1 Jalan Setiawangsa 11A Taman Setiawangsa 54200 Kuala Lumpur	Building	1,000	Rented	Freehold	32 years	380,000
2.	Plot 2, PT60593 08000 Sungai Petani Kedah Darul Aman	Factory Land and Building	201,716	Factory	Malay Reserve	18 years	8,100,000
3	Plot 3, PT60594 08000 Sungai Petani Kedah Darul Aman	Land	200,351	Vacant	Malay Reserve	-	4,600,000

SHAREHOLDERS **ANALYSIS**

AS AT 28 MARCH 2023

Issued share capital	:	RM44,473,000.00
Class of shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share
No. of Shareholders	:	1,000

CLASSIFICATION OF SHAREHOLDERS AS AT 28 MARCH 2023

Category of Shareholders		Malaysian		Foreign	
		No. of shares	%	No. of shares	%
1.	Individual	14,277,386	17.41	128,509	0.16
2.	Body Corporate a. Other types of Companies	41,821,400	51.00	6,000,000	7.32
3.	Nominees	13,726,705	16.74	6,046,000	7.37
		69,825,491	**85.15**	**12,174,509**	**14.85**

DISTRIBUTION OF SHAREHOLDINGS AS AT 28 MARCH 2023

Size of shareholdings	No. of shareholders	No. of shares	% of shareholdings
<100	17	692	0.00
100 -1,000	260	182,480	0.22
1,001 – 10,000	476	2,505,000	3.06
10,001 – 100,000	194	5,622,200	6.86
100,001 - < 5% issued shares	48	26,511,728	32.33
5% and above of issued shares	5	47,177,900	57.53
	1,000	**82,000,000**	**100.00**

LIST OF SUBSTANTIAL SHAREHOLDERS

Name	No. of shares held			
	Direct Interest	%	Deemed Interest	%
EMEF Technology Sdn. Bhd.	15,169,000	18.50	-	-
Panama Ventures Sdn. Bhd.	10,028,600	12.23	-	-
Tanjung Setara Sdn. Bhd.	8,542,900	10.42	-	-
Veto Growth Sdn. Bhd.	7,428,500	9.06	-	-
Citigroup Nominees (Asing) Sdn. Bhd. - Exempt an for Bank of Singapore Limited (Foreign)	6,008,900	7.33	-	-
CMA i Capital Sdn. Bhd.	-	-	*15,169,000	18.50
Adlin Bin Shaharudin	-	-	**15,169,000	18.50

Notes:
* Deemed interested by virtue of holding substantial interest in the shares of EMEF Technology Sdn. Bhd.
** Deemed interested by virtue of holding substantial interest in the shares of CMA i Capital Sdn. Bhd.

DIRECTORS' SHAREHOLDINGS

	No. of shares held			
Name	**Direct Interest**	**%**	**Deemed Interest**	**%**
Adlin bin Shaharudin	-	-	**15,169,000	18.50
Ahmad bin Md Daud	-	-	-	-
Nik Md Nor Suhaimi bin Nik Ibrahim	-	-	-	-
Abd Rahim bin Embi	-	-	-	-

30 LARGEST SHAREHOLDERS AS AT 28 MARCH 2023

No.	Shareholders	Shareholding	%
1.	EMEF TECHNOLOGY SDN. BHD.	15,169,000	18.4988
2.	PANAMA VENTURES SDN. BHD.	10,028,600	12.2300
3.	TANJUNG SETARA SDN. BHD.	8,542,900	10.4182
4.	VETO GROWTH SDN. BHD.	7,428,500	9.0591
5.	CITIGROUP NOMINEES (ASING) SDN. BHD. - EXEMPT AN FOR BANK OF SINGAPORE LIMITED (FOREIGN)	6,008,900	7.3279
6.	TA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR MOHAMED FAROZ BIN MOHAMED JAKEL	3,033,300	3.6991
7.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR HAFIDAH BINTI PAWANCHIK	2,528,100	3.0830
8.	TMF TRUSTEES MALAYSIA BERHAD - PANAMA VENTURES SDN. BHD.	2,314,300	2.8223
9.	TMF TRUSTEES MALAYSIA BERHAD - TANJUNG SETARA SDN. BHD.	1,971,400	2.4041
10.	TMF TRUSTEES MALAYSIA BERHAD - VETO GROWTH SDN. BHD.	1,714,300	2.0906
11.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR FAMI TAUFEQ BIN FAKARUDIN	1,653,200	2.0161
12.	CGS-CIMB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR NG GEOK WAH (B BRKLANG-CL)	1,386,300	1.6906
13.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR AB GHAUS BIN ISMAIL (551010)	1,017,600	1.2410
14.	HLB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LEONG WYE KEONG	810,700	0.9887
15.	SALMA BINTI SEMAN	596,000	0.7268
16.	ASTRA TAIPAN SDN. BHD.	555,200	0.6771
17.	HARJEET SINGH A/L NAIB SINGH	551,800	0.6729
18.	MOKHSEN BIN IBRAHIM	525,828	0.6413
19.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR MOHAMED FAROZ BIN MOHAMED JAKEL	496,100	0.6050
20.	MOHD NOOR BIN BIDIN	451,000	0.5500
21.	HAFIDAH BINTI PAWANCHIK	414,400	0.5054
22.	FAMI TAUFEQ BIN FAKARUDIN	381,700	0.4655
23.	MOHD SAHROM BIN SALIKIN	363,800	0.4437
24.	SELVARAJA A/L KRISHNAN THEVAR	360,000	0.4390

30 LARGEST SHAREHOLDERS AS AT 28 MARCH 2023 (CONT'D)

No.	Shareholders	Shareholding	%
25.	SOON KHIAT VOON	357,000	0.4354
26.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR MOHD YUNUS BIN MOHD TASI	335,700	0.4094
27.	MOHAMAD YUNUS BIN ARIFFIN	319,300	0.3894
28.	MOHAMMAD FAIZAL BIN ABD JABBAR	290,000	0.3537
29.	LAWRENCE UMAR	250,000	0.3049
30.	TA NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR MOHAMMAD FAIZAL BIN ABD JABBAR	250,000	0.3049
	TOTAL	**70,104,928**	**85.4939**

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Seventh Annual General Meeting ("37th AGM") of the Company will be held at Concorde Hotel Shah Alam, Level 1, Orchid Meeting Room, No.3, Jalan Tengku Ampuan Zabedah, 40100 Shah Alam, Selangor Darul Ehsan on Friday, 26 May 2023 at 10.00 a.m. for the following purposes: -

A G E N D A

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial period ended 31 December 2022 together with the Reports of the Directors and Auditors thereon.

2. To re-elect the following directors retiring pursuant to the Company's Constitution, and being eligible, offered themselves for re-election: -
   - Encik Adlin Bin Shaharudin (Article 86) **Ordinary Resolution 1**
   - Datin Flora Remeo (Article 92) **Ordinary Resolution 2**

3. To re-appoint Messrs CHENGCO PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. **Ordinary Resolution 3**

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following Resolutions, with or without modification: -

4. **AUTHORITY TO ALLOT SHARES PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT 2016** **Ordinary Resolution 4**

   "THAT pursuant to Section 75 and Section 76 of the Companies Act 2016 ("the Act") and subject to the approvals from 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 and to such persons as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority 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 AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.

   AND THAT pursuant to Section 85 of the Act to be read together with Article 3 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new Company shares ranking equally to the existing issued Company shares arising from any issuance of the new Company shares pursuant to Section 75 and Section 76 of the Act."

5. **RETENTION OF DIRECTORS AS INDEPENDENT DIRECTORS OF THE COMPANY**

   THAT the following directors who have served the Company for more than 9 years be retained as Independent Non-Executive Directors and to hold office until the conclusion of the next Annual General Meeting: -
   i) Encik Ahmad Bin Md Daud **Ordinary Resolution 5**
   ii) Encik Nik Md Nor Suhaimi Bin Nik Ibrahim **Ordinary Resolution 6**

6. To transact any other business which may properly be transacted at an Annual General Meeting for which due notice shall have been given.

By Order of the Board

LIM SECK WAH (MAICSA No. 0799845 & SSM PC No. 202008000054)
M. CHANDRASEGARAN A/L S. MURUGASU (MAICSA No. 0781031 & SSM PC No. 202008002193)
Company Secretaries

Dated: 27 April 2023
Kuala Lumpur

Notes:-

1. For the purpose of determining a member who shall be entitled to attend and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at **22 May 2023**. Only a depositor whose name appears on the Record of Depositors as at **22 May 2023** shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her stead.

2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A member may appoint up to two proxies to attend the same meeting provided that he specifies the proportion of his shareholding to be represented by each proxy. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy.

3. Where a Member is an authorised nominee as defined under the Security Industry (Central Depositories) Act, 1991, it may appoint one (1) proxy but not more than two (2) proxies for each Securities Account which it holds and the shares of the Company stand to the credit of the said Securities Account. The appointment of two (2) proxies in respect of any particular Securities Account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.

4. Where a Member who is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. If more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appoint the proxies.

5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing or, if the appointer is a corporation, either under the Corporation's Common Seal or under the hand of an officer or attorney so authorized.

6. The Form of Proxy must be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or email to mega-sharereg@megacorp.com.my not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

7. **Explanatory Notes to Special Businesses**

   a) Ordinary Resolution 4 - Authority to allot shares pursuant to Section 75 and Section 76 of the Companies Act 2016

   The Proposed Resolution 4 is the renewal of the general mandate obtained from the shareholders at the last AGM. As at the date of this notice, the Company did not allot any share pursuant to the general mandate granted to the Directors at the Thirty-Sixth Annual General Meeting held on 17 December 2021.

   This Ordinary Resolution 4, if passed, will empower the Directors to allot and issue ordinary shares up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

   The authority will provide flexibility to the Company for any possible fund raising activities for future investment projects or undertakings or for working capital purpose as the Directors may in their absolute discretion deem fit.

7. **Explanatory Notes to Special Businesses (cont'd)**

b) Ordinary Resolutions 5 and 6 - Retention of Directors as Independent Directors of the Company

This item is tabled pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance 2021.

Encik Ahmad Bin Md Daud and Encik Nik Md Nor Suhaimi Bin Nik Ibrahim, are Independent Directors of the Company who have served the Company for a cumulative term of more than nine (9) years.

The Nominating Committee and Board of Directors had assessed the independence of both of them and recommended them to be retained as Independent Non-Executive Directors of the Company based on the following justifications:

i. They have met the criteria under the definition of Independent Director as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
ii. They do not have any conflict of interest with the Company and have not been entering/are not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiaries;
iii. Their vast experience and expertise would enable them to provide independent judgement and invaluable contributions to the Board in their roles as Independent Non-Executive Directors;
iv. They have been with the Company for more than nine years and are familiar with the Company's business operations; and
v. They had actively participated in all Committee and Board's discussion and able to provide constructive opinions and acted in the best interest of the Company.

Therefore, the Board has recommended that the shareholders' approval to be sought through a two-tier voting process at the 37th AGM.

ADMINISTRATIVE GUIDE

THIRTY-SEVENTH ANNUAL GENERAL MEETING ("37TH AGM")

DAY AND DATE	:	FRIDAY, 26 MAY 2023
TIME	:	10:00 A.M.
VENUE	:	CONCORDE HOTEL SHAH ALAM, LEVEL 1, ORCHID MEETING ROOM, NO. 3, JALAN TENGKU AMPUAN ZABEDAH, 40100 SHAH ALAM, SELANGOR DARUL EHSAN

REGISTRATION ON THE DAY OF 37th AGM

1. Registration will commence at 9:00 a.m. and will close by 10.15 a.m.

2. Please present your original National Registration Identity Card (NRIC) or Passport to the registration staff for verification.

3. A wrist band will be given to you thereafter. No one will be allowed to enter the meeting room without the wrist band.

4. Registration must be done in person. No person is allowed to register on behalf of another.

5. The registration counter will handle verification of identity, registration and revocation of proxy/proxies.

PROXY

6. A member entitled to attend and vote in the meeting is allowed to appoint proxy. Please submit your Form of Proxy in accordance with the notes and instructions printed therein.

7. The Form of Proxy is not required if you are attending as shareholder.

8. If you have submitted your Form of Proxy prior to the meeting and subsequently decided to attend the meeting in person, please proceed to the registration counter to revoke the appointment of your proxy.

9. Please ensure that the original Form of Proxy is deposited at the Company's Registered Office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the meeting time. No proof of sending of Form of Proxy will be entertained.

GENERAL MEETING RECORD OF DEPOSITORS

10. For the purpose of determining who shall be entitled to attend the 37th AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 22 May 2023 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend the said meeting.

NO RECORDING OR PHOTOGRAPHY

11. No recording or photography of the 37th AGM proceedings is allowed without the prior written permission of the Company.

MOBILE DEVICES

12. Please ensure all mobile devices i.e. phones/other sound emitting devices are put on silence mode during the 37th AGM to ensure smooth and uninterrupted proceedings.

ENQUIRY

13. For any enquiry prior to the 37th AGM, please contact the following during office hours: -

    Mega Corporate Services Sdn. Bhd. (Share Registrar)
    Helpdesk : 03 - 2692 4271
    Facsimile : 03 - 2732 5388
    Email : mega-sharereg@megacorp.com.my

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PJBUMI BERHAD

Registration No: 198501009089 (141537-M)

FORM OF PROXY

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

No. of ordinary shares held	
CDS Account No.	

I/We ______________________________ NRIC No./Passport No./Registration No.: ____________________

(Full name in block letters)

of ____

(Full address)

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

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings (%)
Address		
Email Address	Mobile Phone No.	

and / or*

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings (%)
Address		
Email Address	Mobile Phone No.	

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend and vote for *me/us and on my/our behalf at the Thirty-Seventh Annual General Meeting ("37th AGM") of the Company to be held at Concorde Hotel Shah Alam, Level 1, Orchid Meeting Room, No.3, Jalan Tengku Ampuan Zabedah, 40100 Shah Alam, Selangor Darul Ehsan on Friday, 26 May 2023 at 10.00 a.m. and at every adjournment thereof to vote as indicated below:-

RESOLUTIONS	DESCRIPTION OF RESOLUTIONS	FIRST PROXY		SECOND PROXY	
		FOR	AGAINST	FOR	AGAINST
Ordinary Resolution 1	To re-elect Adlin Bin Shaharudin as Director				
Ordinary Resolution 2	To re-elect Datin Flora Remeo as Director				
Ordinary Resolution 3	To re-appoint Messrs CHENGCO PLT as Auditors of the Company				
Ordinary Resolution 4	Authority to allot shares				
Ordinary Resolution 5	Retention of Independent Director - Ahmad Bin Md Daud				
Ordinary Resolution 6	Retention of Independent Director - Nik Md Nor Suhaimi Bin Nik Ibrahim				

(Please indicate with an "x" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion).

Dated this .... day of 2023

....

Signature/Common Seal

Notes

1. For the purpose of determining a member who shall be entitled to attend and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at 22 May 2023. Only a depositor whose name appears on the Record of Depositors as at 22 May 2023 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her stead.
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3. Where a Member is an authorised nominee as defined under the Security Industry (Central Depositories) Act, 1991, it may appoint one (1) proxy but not more than two (2) proxies for each Securities Account which it holds and the shares of the Company stand to the credit of the said Securities Account. The appointment of two (2) proxies in respect of any particular Securities Account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
4. Where a Member who is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. If more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appoint the proxies.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing or, if the appointer is a corporation, either under the Corporation's Common Seal or under the hand of an officer or attorney so authorized.
6. The Form of Proxy must be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or email to mega-sharereg@megacorp.com.my not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

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AFFIX
STAMP

The Share Registrar

PJBUMI BERHAD
Registration No. 198501009089 (141537-M)
C/O Mega Corporate Services Sdn Bhd
Level 15-2, Bangunan Faber Imperial Court,
Jalan Sultan Ismail,
50250 Kuala Lumpur.

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PJBUMI BERHAD
Registration No: 198501009089 (141537-M)

No. 11, Jalan Ruang U8/109
Seksyen U8, Bukit Jelutong
40150 Shah Alam, Selangor D.E.
Tel: (603) 7831 0075
Fax: (603) 7832 5840

www.pjbumi.com.my