

THIS CIRCULAR/STATEMENT TO SHAREHOLDERS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, please consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has only conducted limited review on the contents of Part A of this Circular/Statement to Shareholders ("Circular/Statement") pertaining to the Proposed Renewal of RRPT Mandate (as defined herein), and Bursa Securities has not perused the contents of Part B of this Circular/Statement pertaining to the Proposed Renewal of Share Buy-Back Mandate (as defined herein) prior to its issuance.

Bursa Securities takes no responsibility for the contents of this Circular/Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular/Statement.



PJ DEVELOPMENT HOLDINGS BERHAD

(Company No. 5938-A)
(Incorporated in Malaysia)

PART A

CIRCULAR TO SHAREHOLDERS

in relation to

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

PART B

STATEMENT

in relation to

**PROPOSED RENEWAL OF AUTHORITY FOR
THE COMPANY TO PURCHASE ITS OWN SHARES**

The above proposals will be tabled as Special Business at the 49th Annual General Meeting ("49th AGM") of PJ Development Holdings Berhad ("PJD") to be held on Thursday, 27 November 2014 at 10.00 a.m. The Notice of the 49th AGM and the Proxy Form are set out in the Annual Report 2014 of PJD which is despatched together with this Circular/Statement.

The original signed Proxy Form must be completed and lodged at the office of the Company's Share Registrar, Boardroom Corporate Services (KL) Sdn Bhd at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time fixed for the 49th AGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the 49th AGM should you subsequently wish to do so.

Date and time of the 49 th AGM	:	Thursday, 27 November 2014 at 10.00 a.m.
Last date and time for lodging the Proxy Form	:	Tuesday, 25 November 2014 at 10.00 a.m.
Venue of the 49 th AGM	:	Grand Hibiscus Level 3, Swiss-Garden Hotel & Residences Kuala Lumpur 117 Jalan Pudu 55100 Kuala Lumpur Malaysia

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular/Statement:

Act	:	Companies Act 1965, including any amendment thereto that may be made from time to time.
AGM	:	Annual General Meeting.
Board	:	Board of Directors of PJD.
Bursa Securities	:	Bursa Malaysia Securities Berhad.
Director	:	Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and for the purposes of the Proposed Renewal of RRPT Mandate shall include any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of PJD, its subsidiary or its holding company, or a chief executive of PJD, its subsidiary or its holding company.
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, including any amendment thereto that may be made from time to time.
LPD	:	Means 30 September 2014 being the latest practicable date before the printing of this Circular/Statement for practical reasons and the cut-off date for the information disclosed in this Circular/Statement unless otherwise indicated.
Major Shareholder	:	Means a person who has an interest or interests in one or more voting shares in PJD and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is: (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in PJD; or (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in PJD where such person is the largest shareholder of PJD, and for the purposes of the Proposed Renewal of RRPT Mandate includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of PJD or any other corporation which is its subsidiary or holding company. For the purpose of this definition, "interest in shares" shall have the same meaning given in Section 6A of the Act.
Market Day	:	Means a day on which the stock market of Bursa Securities is open for trading in securities.
PJD or the Company	:	PJ Development Holdings Berhad.
PJD Group or the Group	:	PJD and its subsidiaries, collectively.
PJD Shares or Shares	:	Ordinary shares of RM1.00 each in PJD.

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DEFINITIONS (continued)

Person Connected	:	A person connected in relation to a Director or Major Shareholder as defined under paragraph 1.01 of the Listing Requirements is a person who falls under any one of the following categories: <ul style="list-style-type: none">(a) a family member of the Director or Major Shareholder which shall include his spouse, parent, child (including adopted child and stepchild), brother, sister, and the spouse of his child (including adopted child and stepchild), brother or sister;(b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder, is the sole beneficiary;(c) a partner of the Director, Major Shareholder or a partner of a person connected with that Director or Major Shareholder;(d) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;(e) a person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;(f) a body corporate is or its directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;(g) a body corporate or its directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;(h) a body corporate in which the Director, Major Shareholder or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or(i) a body corporate which is a related corporation.
Proposed Renewal of RRPT Mandate	:	Proposed renewal of the 2013 RRPT Mandate for RRPTs as set out in Part A of this Circular/Statement.
Proposed Renewal of Share Buy-Back Mandate	:	Proposed renewal of the authority for PJD to purchase its own Shares as set out in Part B of this Circular/Statement.
Proposals	:	Collectively, Proposed Renewal of RRPT Mandate and Proposed Renewal of Share Buy-Back Mandate
Purchased Shares	:	Shares purchased pursuant to the Company's share buy-back exercise.
Recurrent Related Party Transaction(s) or RRPT(s)	:	Transactions entered into by PJD Group which involve the interest (direct or indirect) of Related Party(ies), which are recurrent, of a revenue or trading nature and are necessary for day-to-day operations of PJD Group.
Related Party or Related Parties	:	Director(s), Major Shareholder(s) or Person(s) Connected.
RM	:	Ringgit Malaysia.

DEFINITIONS (continued)

- Substantial Shareholder(s) : A person who has an interest in one or more voting Shares and the nominal amount of that Shares, or the aggregate of the nominal amounts of those Shares, is not less than 5% of the aggregate of the nominal amounts of all voting Shares as defined under Section 69(D)(1) of the Act.
- Treasury Shares : Purchased Shares which are or will be retained as treasury shares.
- 2013 RRPT Mandate : The existing shareholders' mandate obtained at the Company's 48th AGM held on 21 November 2013 for PJD Group to enter into the RRPTs as disclosed in the Company's circular to shareholders dated 30 October 2013 and which shall expire at the conclusion of the forthcoming 49th AGM to be held on 27 November 2014.

Words that incorporate the singular shall, where applicable, include the plural and vice versa and words that incorporate the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

All references to "we", "us", "our", "ourselves", "our Company" or "PJD" in this Circular/Statement are to "PJ Development Holdings Berhad".

All references to "you" in this Circular/Statement are to the shareholders of the Company entitled to attend, speak and vote at the AGM and whose names appear in the Company's Record of Depositors at the time and on the date to be determined by the Board of the Company.

All references to any enactment in this Circular/Statement are to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular/Statement shall be a reference to Malaysian time, unless otherwise stated.

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PJ DEVELOPMENT HOLDINGS BERHAD
(Company No. 5938-A)

Registered office:
18th Floor, Plaza OSK
Jalan Ampang
50450 Kuala Lumpur
Malaysia

31 October 2014

Directors:

Tan Sri Ong Leong Huat @ Wong Joo Hwa, *Non-Independent Non-Executive Chairman*
Wong Chong Shee, *Managing Director*
Puan Sri Khor Chai Moi, *Executive Director*
Yap Yoon Kong, *Executive Director*
Ong Ju Xing, *Executive Director*
Foo San Kan, *Independent Non-Executive Director*
Dato' Abdul Rahman bin Yusof, *Independent Non-Executive Director*
Loy Tuan Bee, *Independent Non-Executive Director*

To: Our Shareholders

Dear Sir/Madam,

- (A) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**
- (B) PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

(COLLECTIVELY, "PROPOSALS")

INTRODUCTION

The Company had at its 48th AGM held on 21 November 2013 obtained a mandate from its shareholders to enter into the RRPTs as set out in the circular to shareholders of the Company dated 30 October 2013. The abovementioned authority granted pursuant to the shareholders' mandate obtained at the 48th AGM shall, in accordance with the Listing Requirements, expire at the conclusion of the forthcoming 49th AGM of the Company.

The Company also had at its 48th AGM held on 21 November 2013 obtained a mandate from its shareholders for the renewal of authority for the Company to purchase PJD Shares up to 10% of the issued and paid-up share capital of PJD. The abovementioned authority granted pursuant to the shareholders' mandate obtained at the 48th AGM shall, in accordance with the Listing Requirements, expire at the conclusion of the forthcoming 49th AGM of the Company.

The Board had on 9 October 2014 announced the Company's intention to seek shareholders' approval at the forthcoming 49th AGM for the Proposed Renewal of RRPT Mandate and the Proposed Renewal of Share Buy-Back Mandate.

The purpose of this Circular/Statement is to provide you with the relevant information on the Proposed Renewal of RRPT Mandate and the Proposed Renewal of Share Buy-Back Mandate, and to seek your approval for Ordinary Resolution 9 and Ordinary Resolution 10 to be tabled at the forthcoming 49th AGM of the Company as set out in the Appendix II of this Circular/Statement.

WE ADVISE YOU TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR/STATEMENT BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS AT THE COMPANY'S FORTHCOMING AGM. IF YOU ARE IN DOUBT AS TO THE NEXT COURSE OF ACTION TO TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

PART A

CIRCULAR TO SHAREHOLDERS

in relation to

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

1. DETAILS OF THE PROPOSED RENEWAL OF RRPT MANDATE

1.1 LISTING REQUIREMENTS

Pursuant to paragraph 10.09 and Practice Note 12 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations subject to the following:

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed below in relation to a listed issuer with an issued and paid-up capital of RM60 million and above:
 - (a) the consideration, value of assets, capital outlay or costs of the recurrent related party transaction is RM1 million or more; or
 - (b) any one of the percentage ratios of such recurrent related party transaction is 1% or more,whichever is the higher, or as prescribed in paragraph 10.09(1)(b) of the Listing Requirements, if applicable;
- (iii) the listed issuer will issue a circular to its shareholders in relation to the shareholders' mandate which will include the information as may be prescribed by Bursa Securities and the draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (iv) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder and/or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the transactions; and an interested director or interested major shareholder must ensure that the persons connected with him abstain from voting on the resolution approving the transactions;
- (v) in relation to a business trust, in addition to the parties referred to in subparagraph (iv) above, the interested trustee-manager or major unit holder or interested person connected with the trustee-manager or a major unit holder, must not vote on the resolution approving the transaction; and
- (vi) the listed issuer must immediately announce to Bursa Securities when the actual value of a recurrent related party transaction entered into by the listed issuer, exceeds the estimated value of the recurrent related party transaction disclosed in the circular to shareholders by 10% or more, and the announcement must include the information as may be prescribed by Bursa Securities.

Pursuant to paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, the Company has disclosed in its Annual Report 2014 the details, including a breakdown of the aggregate value, of the RRPTs transacted during the financial year ended 30 June 2014 for which the 2013 RRPT Mandate is in force.

Similarly, disclosure of details of the RRPTs conducted pursuant to the Proposed Renewal of RRPT Mandate will be made in the Company's Annual Report for the next financial year ending 30 June 2015.

1.2 VALIDITY PERIOD

In accordance with the Practice Note 12 of the Listing Requirements, the Proposed Renewal of RRPT Mandate, if approved at the forthcoming 49th AGM of the Company, will take effect from the passing of the relevant ordinary resolution thereat and the authority conferred by the Proposed Renewal of RRPT Mandate will continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming 49th AGM unless by an ordinary resolution passed at the next AGM of the Company, the authority is renewed;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extensions as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of PJD in a general meeting,

whichever is the earlier.

1.3 PRINCIPAL ACTIVITIES OF PJD GROUP

PJD is principally engaged in investment holding, property investment and provision of management services to the subsidiaries.

The principal activity of the respective subsidiaries of PJD as at LPD is as set out below:

Subsidiaries of PJD	PJD's effective equity interest (%)	Principal activities
Aco Built System Sdn Bhd	100	Installation of concrete wall panels
Acotec Sdn Bhd (formerly known as PJDCP Malta Sdn Bhd)	100	Manufacturing and sale of concrete wall panels and trading of building materials
Acotec-Concrete Products Sdn Bhd	100	Property investment and rental services
Ancient Capital Sdn Bhd	100	Dormant
Bindev Sdn Bhd	100	Property development
Bunga Development Sdn Bhd	100	Property development
Damai Laut Golf Resort Sdn Bhd	99	Development and investment in resort property, hotel, restaurant business and operation of golf course
DLHA Management Services Sdn Bhd	100	Investment holding
Eframe Sdn Bhd	100	Software consultancy, product development and maintenance
Eframe Solutions Sdn Bhd	100	Software consultancy, product development and maintenance
Harbour Place Management Services Sdn Bhd	100	Provision of property management services
HTR Management Services Sdn Bhd	100	Provision of property management services
Kota Mulia Sdn Bhd	100	Property development and investment
Kulai Management Services Sdn Bhd	100	Provision of property management services
MM Hotels Sdn Bhd	100	Hotel and restaurant business
OCC Cables Berhad	100	Investment holding
Olympic Cable (Singapore) Pte Ltd	100	Investment holding and trading of cable products
Olympic Cable Company Sdn Bhd	100	Manufacturing and sale of cables and wires
Olympic Properties Sdn Bhd	100	Property investment
OVI Cables (Vietnam) Co., Ltd	100	Manufacturing and sale of cables and wires
Pengerang Jaya Pte Ltd	100	Investment holding
Pengerang Jaya Investment Pte Ltd	100	Investment holding
PJ Exim Sdn Bhd	100	Trading of cable products
PJ Equity Sdn Bhd	100	Investment holding
P.J. (A) Pty Limited	100	Investment holding and hotel business
PJD Central Sdn Bhd	100	Property development and investment
PJD Construction Sdn Bhd	100	Construction
PJD Concrete Land (JB) Sdn Bhd	100	Property investment
PJD Concrete Land (South) Sdn Bhd	100	Property investment

Subsidiaries of PJD	PJD's effective equity interest (%)	Principal activities
PJD Eastern Land Sdn Bhd	100	Property development and investment
PJD Hartamas Sdn Bhd (formerly known as PJD-MM2H Sdn Bhd)	100	Property development and investment
PJD Highland Resort Sdn Bhd	100	Property development
PJD Hotels Sdn Bhd	100	Investment holding and hotel and restaurant business
PJD Land Sdn Bhd	100	Leasing of office cum commercial building
PJD Landmarks Sdn Bhd	100	Property development
PJD Management Services Sdn Bhd	100	Provision of property management and facilities services
PJD Pravest Sdn Bhd	100	Cultivation of oil palm
PJD Properties Management Sdn Bhd	100	Provision of project management services
PJD Realty Sdn Bhd	100	Property development
PJD Regency Sdn Bhd	100	Property development
PJD Sejahtera Sdn Bhd	100	Property development
PJDC Co., Ltd	88.5	Construction
PJDC International Sdn Bhd	100	Investment holding
PJDCI Co., Ltd	78.5	Investment holding
PKM Management Services Sdn Bhd	100	Provision of property management services
PTC Management Services Sdn Bhd	100	Provision of property management services
Putri Kulai Sdn Bhd	100	Property investment
Superville Sdn Bhd	100	Property development
Swiss-Garden Hotel Management Sdn Bhd	100	Hotel management and consultancy services
Swiss-Garden International Hotels & Resorts (Australia) Pty Ltd	100	Hotel management and consultancy services
Swiss-Garden International Limited (incorporated in British Virgin Islands)	100	Hotel management and consultancy services
Swiss-Garden International Limited (incorporated in United Kingdom)	100	Dormant
Swiss-Garden International Sdn Bhd	100	Hotel management and consultancy services
Swiss-Garden International Vacation Club Berhad	100	Operation and management of timeshare membership scheme
Swiss-Garden Management Services Sdn Bhd	100	Hotel and restaurant business
Swiss-Garden Rewards (Singapore) Pte Ltd	100	Agent providing services to hotel companies
Swiss-Garden Rewards Sdn Bhd	100	Marketing of timeshare memberships
Swiss-Inn JB Sdn Bhd	100	Hotel and restaurant business
Vibrant Practice Sdn Bhd	100	Dormant
Yarra Park City Pty Ltd (formerly known as Yarra Vision Park Pty Ltd)	81.9	Property development and investment

1.4 NATURE OF RRPT

The nature of the RRPTs entered and/or to be entered into between PJD Group and Related Parties covered by the Proposed Renewal of RRPT Mandate on which a shareholders' approval is sought is as follows:

	Proposed Renewal of RRPT Mandate			2013 RRPT Mandate		
	Nature of RRPTs	Related Parties with whom PJD Group transacts	Interested Directors, Major Shareholders and/or Persons Connected to them	2014 Estimated value ^{>} (RM'000)	2013 Actual value [@] (RM'000)	2013 Estimated value [*] (RM'000)
(i)	Award of construction contracts including construction of buildings and ancillary infrastructure works and related services	OSKP Group (as defined hereinunder)	OLH, KCM, WCS, FSK, OJX, OYC, DCSB, LMSB (as defined hereinunder) ¹⁾	150,000	Nil	40,000
(ii)	Purchase of Supervisory Control and Data Acquisition (SCADA) system, information technology services, security system and smart home system	WMSC Group (as defined hereinunder)	OLH, KCM, WAC, WCS, OJX, SW, DCSB (as defined hereinunder) ¹⁾	8,000	36	5,200

Notes:

> The estimated aggregate value of RRPTs contemplated under the Proposed Renewal of RRPT Mandate during the validity period (as defined in this Circular/Statement) is based on the historical and/or current actual transaction and management forecast. The actual aggregate value may vary from this estimated aggregate value.

* The estimated aggregate value of RRPTs covered under the 2013 RRPT Mandate ("2013 Estimated Value") as disclosed in the preceding year's circular to shareholders of the Company dated 30 October 2013.

@ The actual value of the respective RRPTs transacted from 21 November 2013 up to LPD during which time the 2013 RRPT Mandate is in force ("2013 Actual Value").

None of the 2013 Actual Value has exceeded the 2013 Estimated Value by 10% or more during which time the 2013 RRPT Mandate is in force.

¹⁾ Interested Directors, Major Shareholders and Persons Connected:

Dindings Consolidated Sdn Bhd ("DCSB")	DCSB is a Major Shareholder of PJD (Direct interest: 20.48%). It is a Person Connected with OLH, KCM, OJX, and OYC.
Land Management Sdn Bhd ("LMSB")	LMSB is a shareholder of PJD (Direct interest: 0.97%) and a substantial shareholder of OSKP (Direct interest: 41.47%). It is a Person Connected with OLH, KCM, OJX and OYC.
Tan Sri Ong Leong Huat @ Wong Joo Hwa ("OLH")	OLH is the Non-Independent Non-Executive Chairman and a Major Shareholder of PJD. OLH is a substantial shareholder of DCSB, LMSB and WMSC (as defined hereinunder) respectively. OLH is the Managing Director/Chief Executive Officer and a substantial shareholder of OSKP (as defined hereinunder). He is the spouse of KCM, the father of OJX and OYC, and the brother of WCS and WAC.
Puan Sri Khor Chai Moi ("KCM")	KCM is an Executive Director and a Major Shareholder of PJD. KCM is a director and a substantial shareholder of DCSB and LMSB respectively. She is a substantial shareholder of OSKP. She is the spouse of OLH and the mother of OJX and OYC.

1)

Interested Directors, Major Shareholders and Persons Connected (continued):

Wong Chong Shee ("WCS")	WCS is the Managing Director and a shareholder of PJD. He is the brother of OLH and WAC.
Foo San Kan ("FSK")	FSK is a Director of PJD and OSKP.
Ong Ju Xing ("OJX")	OJX is an Executive Director and a shareholder of PJD. OJX is a director and a shareholder of OSKP. OJX is a shareholder of DCSB. He is a director and shareholder of LMSB. He is the son of OLH and KCM and the brother of OYC.
Ong Yee Ching ("OYC")	OYC is a shareholder of PJD. OYC is a director and a shareholder of OSKP. She is the daughter of OLH and KCM and the sister of OJX.
Wong Ah Chiew ("WAC")	WAC is a shareholder of PJD. He is the Managing Director and a substantial shareholder of WMSC. He is the father of SW and the brother of OLH and WCS.
Simon Wong Chu Keong ("SW")	SW is a director and a substantial shareholder of WMSC. He is the son of WAC.

1.5 CLASS OF RELATED PARTIES

The Related Parties to which the Proposed Renewal of RRPT Mandate applies are as follows:

Related Parties with whom PJD Group transacts	Relationship with PJD Group
OSK Property Holdings Berhad ("OSKP") and its subsidiaries ("OSKP Group")	OSKP is a Person Connected with OLH, KCM, OJX, OYC and LMSB. OLH is the Managing Director/Chief Executive Officer and a substantial shareholder of OSKP. KCM and LMSB are substantial shareholders of OSKP.
Willowglen MSC Berhad ("WMSC") and its subsidiaries ("WMSC Group")	WMSC is a Person Connected with OLH, KCM, WCS, WAC and SW. WAC is the Managing Director of WMSC. SW is a director of WMSC. OLH, WAC and SW are substantial shareholders of WMSC.

1.6. AMOUNT DUE AND OWING BY RELATED PARTIES

The breakdown of amounts due and owing by the Related Parties to PJD Group pursuant to the existing RRPTs which have exceeded the credit term as at 30 June 2014 (being the end of the financial year of the Company), is as follows:

Principal sum (RM)	Total outstanding amount (RM)	Amount due and owing to the Company by Related Parties which has exceeded the credit term for the following periods as at 30 June 2014 (RM):			
		A period of 1 year or less	A period of more than 1 to 3 years	A period of more than 3 to 5 years	A period of more than 5 years
953,351.40	953,351.40	953,351.40	-	-	-

There were no interest and late payment charges imposed on the overdue amounts as the Company had reviewed the outstanding amounts and is of the opinion that the overdue amounts were part of the normal business transactions and are recoverable. However, the management will continue to review and hold discussions with the Related Parties for early settlement of the outstanding due.

The Board of Directors is of the opinion that there are no recoverability issues in respect of the overdue amounts from the Related Parties.

2. RATIONALE FOR AND BENEFITS OF THE PROPOSED RENEWAL OF RRPT MANDATE

The Proposed Renewal of RRPT Mandate will enable PJD Group to carry out RRPTs necessary for the Group's day-to-day operations, which are time sensitive in nature, and will eliminate the need to announce and convene separate general meetings, if applicable, to seek prior approval of shareholders for such transactions. By obtaining a shareholders' mandate on an annual basis, the Company does not have to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPTs occur. This will substantially reduce the expenses associated with the convening of general meetings on an ad-hoc basis, improve administration efficiency and allow manpower resources and time to be channeled towards attaining other corporate objectives and business opportunities.

The RRPTs which are contemplated under the Proposed Renewal of RRPT Mandate and for which the Group intends to enter into are all in the ordinary course of business and are necessary for the Group's day-to-day operations. These RRPTs are likely to occur with some degree of frequency and arise from time to time. It is impractical to seek shareholders' approval on a case-by-case basis before entering into them as these transactions may be constrained by their time sensitive and confidential nature. These RRPTs will be entered into on an arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public.

In addition, PJD Group benefits from the long term close working relationship with the relevant Related Parties and the prompt provision of reliable products and/or services from them. These Related Parties possess relevant experience and expertise in the fields to provide reliable and quality products and/or services promptly for the Group's business needs in carrying out some of its day-to-day operations.

3. EFFECTS OF THE PROPOSED RENEWAL OF RRPT MANDATE

The Proposed Renewal of RRPT Mandate is not expected to have any effect on the share capital or the shareholdings of Directors and Major Shareholders of the Company and has no material impact on the net assets and earnings of the Company.

4. GUIDELINES AND REVIEW PROCEDURES ON RRPT

The Company has established various procedures to ensure that the RRPTs are conducted in the ordinary course of business on an arm's length basis and on normal commercial terms which are consistent with the Group's normal business practices and policies and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

PJD Group's review methods and procedures governing RRPTs are as follows:

- (i) The transactions with a Related Party will only be entered into after taking into account the pricing, quality, delivery schedules, level of service and other related factors which is determined in accordance to the Group's business practices and policies, such as calling for tenders, quotations, to ensure the prices and terms and conditions are based on competitive prices of similar products and services in line with industry norms.

At least 2 other contemporaneous transactions with unrelated third parties for similar products or services will be used as comparison, wherever possible, to determine whether the price and terms offered to or by the Related Parties are fair and reasonable and comparable to those offered to or by other unrelated third parties for the same or substantially similar type of products or services.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the Group based on those offered by or to other unrelated parties for the same or substantially similar type of transaction to ensure that the RRPTs are entered into on an arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

- (ii) All divisions and subsidiaries within PJD Group have been informed of the list of Related Parties, the review procedures and compliance thresholds authority applicable for RRPTs transacted with such Related Parties.
- (iii) Records will be maintained by the respective transacting companies to capture all RRPTs which are entered into pursuant to the Proposed Renewal of RRPT Mandate and reported to the Group Internal Audit on a monthly basis. In the event where the RRPT's actual value exceeds the estimated value by 10% or more as disclosed in Part A of this Circular/Statement, the relevant RRPT with reasons for the deviation will be reported to the Group Internal Audit immediately as well as to the Company Secretary for releasing of an immediate announcement to Bursa Securities.
- (iv) The Group Internal Audit reviews significant RRPTs to ensure that the relevant approvals have been obtained and the procedures in respect of such RRPTs are adhered to.
- (v) The Audit Committee reviews the quarterly report on RRPTs issued by Group Internal Audit to ascertain that the guidelines and procedures established to monitor RRPT have been complied with.
- (vi) The Audit Committee has overall responsibility to review the adequacy and appropriateness of the procedures as deemed appropriate.
- (vii) If a member of the Board has an interest in any particular transaction, he or she shall abstain from deliberation and any decision in respect of that RRPT.

5. GUIDELINES ON THRESHOLDS OF AUTHORITY

There are no specific thresholds for approval of RRPTs within the Group. All RRPTs are subject to the same authority limit thresholds established by the respective business units for those business transactions entered into with unrelated parties. The authority limit thresholds are determined by senior management and/or the Board. Where any Director has an interest, direct or indirect, in a RRPT, such Director shall abstain from deliberating on and approving such transaction.

6. STATEMENT FROM THE AUDIT COMMITTEE

The Audit Committee of PJD is of the opinion that:

- (i) PJD Group has in place adequate guidelines, procedures and processes as set forth in Sections 4 and 5 above to monitor, track and identify RRPTs in a timely manner. The Audit Committee will carry out the review of these procedures and processes as and when necessary; and
- (ii) the said guidelines and procedures are sufficient to ensure that the RRPTs are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

7. APPROVAL REQUIRED

The Proposed Renewal of RRPT Mandate is subject to the approval being obtained from the shareholders of the Company at its forthcoming 49th AGM.

8. INTERESTS OF INTERESTED DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED

Save as disclosed in Part A of this Circular/Statement, none of the other Directors or Major Shareholders or Persons Connected with them have any interest, direct or indirect, in the Proposed Renewal of RRPT Mandate.

The direct and indirect shareholdings of the interested Directors, Major Shareholders and Persons Connected with them in the Company as at LPD are as set out below:

Directors	Direct		Indirect	
	No. of Shares	% ¹	No. of Shares	% ¹
Tan Sri Ong Leong Huat @ Wong Joo Hwa	241,802	0.05	97,722,481 ²	21.63
Wong Chong Shee	4,004,000	0.89	-	-
Puan Sri Khor Chai Moi	32,779,206	7.26	106,113,841 ²	23.49
Ong Ju Xing	218,000	0.05	8,656,860 ²	1.92
Foo San Kan	-	-	-	-

Major Shareholders	Direct		Indirect	
	No. of Shares	% ¹	No. of Shares	% ¹
Dindings Consolidated Sdn Bhd	92,525,481	20.48	-	-
Tan Sri Ong Leong Huat @ Wong Joo Hwa	241,802	0.05	96,925,481 ³	21.46
Puan Sri Khor Chai Moi	32,779,206	7.26	105,316,841 ³	23.32

Persons Connected	Direct		Indirect	
	No. of Shares	% ¹	No. of Shares	% ¹
Ong Yee Ching	737,000	0.16	-	-
Land Management Sdn Bhd	4,400,000	0.97	-	-
Wong Ah Chiew	9,997,800	2.21	-	-
Simon Wong Chu Keong	-	-	-	-

Notes:

¹ Calculated based on 451,708,392 Shares (being the total issued and paid-up share capital of the Company excluding 4,778,300 Treasury Shares as at LPD).

² Deemed interested pursuant to Section 6A and Section 134(12)(c) of the Act.

³ Deemed interested pursuant to Section 6A of the Act.

The Directors interested in the Proposed Renewal of RRPT Mandate comprising Tan Sri Ong Leong Huat @ Wong Joo Hwa, Wong Chong Shee, Puan Sri Khor Chai Moi, Foo San Kan and Ong Ju Xing have abstained and will continue to abstain from all deliberations and voting at the relevant Board meetings. The aforesaid interested Directors will abstain and will ensure the Persons Connected to them also abstain, from voting on (in respect of their direct and/or indirect shareholdings in the Company, if any), deliberating or approving the resolution pertaining to the Proposed Renewal of RRPT Mandate at the forthcoming 49th AGM of the Company.

Interested Major Shareholders will abstain and will ensure that Persons Connected to them will also abstain from deliberating or approving or voting at the 49th AGM on the resolution pertaining to the Proposed Renewal of RRPT Mandate in respect of their direct and/or indirect shareholdings in the Company.

Further, where the Persons Connected with the Directors and/or Major Shareholders have any interest, direct or indirect, in the Proposed Renewal of RRPT Mandate, the Directors and/or Major Shareholders concerned will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution approving the Proposed Renewal of RRPT Mandate.

9. DIRECTORS' RECOMMENDATION

Having considered all aspects of the Proposed Renewal of RRPT Mandate, the Directors (with the exception of Tan Sri Ong Leong Huat @ Wong Joo Hwa, Wong Chong Shee, Puan Sri Khor Chai Moi, Foo San Kan and Ong Ju Xing who are interested in the Proposed Renewal of RRPT Mandate) are of the opinion that the Proposed Renewal of RRPT Mandate is in the best interest of the Group.

Accordingly, with the exception of Tan Sri Ong Leong Huat @ Wong Joo Hwa, Wong Chong Shee, Puan Sri Khor Chai Moi, Foo San Kan and Ong Ju Xing who are interested in the Proposed Renewal of RRPT Mandate in the manner as set out in Part A of this Circular/Statement and have therefore abstained from making any recommendation in respect of the RRPTs in which their interests are involved, the Board recommends that you vote in favour of the resolution in respect of the Proposed Renewal of RRPT Mandate to be tabled at the forthcoming 49th AGM of the Company.

10. AGM

The resolution pertaining to the Proposed Renewal of RRPT Mandate is set out in the Notice of the Company's 49th AGM, which is sent to you together with this Circular/Statement. An extract of the said resolution is enclosed as Appendix II of this Circular/Statement.

The 49th AGM of the Company will be held on Thursday, 27 November 2014 at 10.00 a.m. at Grand Hibiscus, Level 3, Swiss-Garden Hotel & Residences Kuala Lumpur, 117 Jalan Pudu, 55100 Kuala Lumpur Malaysia.

If you are unable to attend and vote in person at the forthcoming 49th AGM and wish to appoint a proxy to attend and vote in your stead, you are requested to complete, sign and return the Proxy Form enclosed in the Company's Annual Report 2014 in accordance with the instructions contained therein and deposit the original copy of the duly signed and/or sealed Proxy Form at the office of the Company's Share Registrar, Boardroom Corporate Services (KL) Sdn Bhd at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia no less than 48 hours before the time set for the 49th AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the 49th AGM should you subsequently wish to do so.

11. FURTHER INFORMATION

Shareholders of the Company are advised to refer to Appendix I for further information.

Yours faithfully
For and on behalf of the Board of
PJ DEVELOPMENT HOLDINGS BERHAD

Loy Tuan Bee
Independent Non-Executive Director

PART B

STATEMENT TO SHAREHOLDERS

in relation to

**PROPOSED RENEWAL OF AUTHORITY
FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

1. DETAILS OF PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

The Proposed Renewal of Share Buy-Back Mandate is subject to Section 67A of the Act, Part IIIA of the Companies Regulations 1966 and the Listing Requirements, and shall be effective upon the passing of the relevant ordinary resolution at the forthcoming 49th AGM.

In accordance with paragraph 12.07(3) of the Listing Requirements, the Proposed Renewal of Share Buy-Back Mandate, if approved at the forthcoming 49th AGM of the Company, will take effect from the passing of relevant ordinary resolution thereat and the authority conferred by the Proposed Renewal of Share Buy-Back Mandate will continue to be in force until:

- (i) the conclusion of the next AGM of the Company, unless by a resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extensions as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of PJD in a general meeting,

whichever occurs first.

Pursuant to the Listing Requirements, the Company may only purchase its own Shares at a price which is not more than 15% above the weighted average market price for PJD Shares for the 5 Market Days immediately before the purchase, and the Company may only resell the Treasury Shares on the market of Bursa Securities at:

- (i) a price which is not less than the weighted average market price for PJD Shares for the 5 Market Days immediately before the resale; or
- (ii) a discounted price of not more than 5% to the weighted average market price for PJD Shares for the 5 Market Days immediately before the resale provided that:
 - (a) the resale takes place no earlier than 30 days from the date of purchase; and
 - (b) the resale price is not less than the cost of purchase of the shares being resold.

The Directors may deal with the Purchased Shares, partially or entirely, at their discretion in the following manner:

- (i) retain the Purchased Shares as Treasury Shares;
- (ii) cancel the Purchased Shares;
- (iii) distribute the Treasury Shares as dividends to the shareholders;
- (iv) resell the Treasury Shares on the market of Bursa Securities in accordance with the relevant rules of Bursa Securities; or
- (v) any other manner as may be prescribed by the applicable rules, regulations and orders made pursuant to the Act, the Listing Requirements and any other relevant authority for the time being in force.

The Company will ensure that any purchase of PJD Shares or resale of its Treasury Shares by the Company is effected only on the market of Bursa Securities.

The actual number of PJD Shares to be purchased depends upon the stock market sentiment, the retained profit and share premium reserve of the Company as well as the financial resources available to the Company.

Based on the issued and paid-up share capital of PJD as at LPD of 456,486,692 PJD Shares, the number of shares that can be purchased by the Company is up to 45,648,669 Shares representing up to 10% of the issued and paid-up ordinary share capital of the Company inclusive of the 4,778,300 PJD Shares that have been purchased and retained as Treasury Shares. As such, the balance that can be purchased by the Company is up to 40,870,369 PJD Shares.

1.1 RATIONALE

The Proposed Renewal of Share Buy-Back Mandate may enable the Company to utilise any of its surplus financial resources to purchase its own Shares from the market. It may stabilise the supply and demand of PJD Shares traded on the Main Market of Bursa Securities and thereby support its fundamental value.

1.2 POTENTIAL ADVANTAGES AND DISADVANTAGE

The potential advantages of the Proposed Renewal of Share Buy-Back Mandate, if implemented, are as follows:

- (i) PJD may be able to stabilise the supply and demand of PJD Shares in the open market and thereby support its fundamental value.
- (ii) General investors' confidence in the stability of PJD Shares' price is expected to be enhanced as PJD is empowered to implement the Proposed Renewal of Share Buy-Back Mandate.
- (iii) PJD Group will be able to utilise its financial resources that it has no immediate usage for the purchase of PJD Shares.
- (iv) The Proposed Renewal of Share Buy-Back Mandate will help enhance value for shareholders from a resultant reduction in the number of PJD Shares in the market, all things being equal. Further, it may increase the earnings per share when the Purchased Shares are cancelled, thereby making PJD Shares more attractive to investors.
- (v) PJD may utilise the Treasury Shares as future dividend pay out to PJD shareholders and/or for resale in the market should opportunities arise in the future.

The potential disadvantage of the Proposed Renewal of Share Buy-Back Mandate is as follows:

- (i) The Proposed Renewal of Share Buy-Back Mandate will reduce the financial resources of the Company, which may result in the Company foregoing other investment opportunities that may emerge in the future.

Nevertheless, the Proposed Renewal of Share Buy-Back Mandate is not expected to have any potential material disadvantage to the Company and the shareholders, as it will be implemented only after careful consideration of the financial resources of the Group and its resultant impact.

1.3 PURCHASE, RESALE AND CANCELLATION OF PJD SHARES DURING THE FINANCIAL YEAR ENDED 30 JUNE 2014

During the financial year ended 30 June 2014, the Company had purchased 4,778,300 PJD Shares, and there were no resale and cancellation of any Purchased Shares. As at LPD, a total of 4,778,300 Shares at par value of RM1.00 each were purchased and retained as Treasury Shares, the details of which, pursuant to the Listing Requirements, have been disclosed in the Annual Report 2014 of PJD.

1.4 FUNDING

A sum not exceeding the Company's total audited retained profit and/or the share premium account at the time of purchase(s) will be allocated for the Proposed Renewal of Share Buy-Back Mandate. The Proposed Renewal of Share Buy-Back Mandate is expected to be mainly financed by internally generated funds coupled with minimum borrowings. In the event borrowings are used to finance the Proposed Renewal of Share Buy-Back Mandate, the Board will ensure that the Company has sufficient funds to repay the borrowings and that the repayment will not have a material effect on the cash flow of the Company.

As at 30 June 2014, the Company's audited retained profit and share premium account were respectively amounted to RM59.37 million and RM39.77 million. Depending on the quantum and the purchase price, the Proposed Renewal of Share Buy-Back Mandate may reduce the working capital of PJD Group.

1.5 EFFECTS

The effects of the Proposed Renewal of Share Buy-Back Mandate on the share capital, net assets, working capital, earnings and shareholdings of Directors and Substantial Shareholders, assuming purchase of own Shares up to the maximum 10% of the issued and paid-up share capital of PJD, are set out below.

1.5.1 Share Capital

On the assumption that the Proposed Renewal of Share Buy-Back Mandate is implemented in full and in the event that the total Purchased Shares (up to a maximum of 10% of the issued and paid-up share capital of PJD and including the PJD Shares previously purchased and currently retained as Treasury Shares) are cancelled, the proforma effect on the issued and paid-up share capital of PJD will be as follows:

	No. of PJD Shares of RM1.00 each	RM
Existing issued and paid-up share capital of PJD as at LPD (including existing Treasury Shares)	456,486,692	456,486,692.00
Maximum number of Purchased Shares to be cancelled	(45,648,669)	(45,648,669.00)
Resultant issued and paid-up share capital upon full implementation of the Proposed Renewal of Share Buy-Back Mandate	410,838,023	410,838,023.00

The Proposed Renewal of Share Buy-Back Mandate is not expected to have any effect on the issued and paid-up share capital of PJD if the Purchased Shares are retained as Treasury Shares.

Pursuant to the Act, while the Shares are held as Treasury Shares, the rights attaching to the Treasury Shares as to voting, dividends and participation in other distribution and otherwise will be suspended, and the rights attached thereto shall not be taken into account in calculating the number or percentage of Shares for any purpose including the quorum for a meeting and results of a vote on resolution at a meeting.

1.5.2 Net Assets

The Proposed Renewal of Share Buy-Back Mandate may increase or decrease the net assets per share of PJD Group depending on the purchase price of the Shares bought back in comparison to the net assets per share of PJD Group at the time that the Shares are purchased.

In the event the Treasury Shares are resold, the net assets of PJD Group will increase or decrease depending on whether a gain or a loss is realised upon the resale. The quantum of the increase or decrease in net assets will depend on the actual resale price and the number of the Treasury Shares which are resold.

1.5.3 Working Capital

The Proposed Renewal of Share Buy-Back Mandate will reduce the cashflow and working capital of the Company, the quantum of which depends on the purchase price and the actual number of Purchased Shares.

On the other hand, if Treasury Shares are resold, then the cashflow and working capital of the Company will increase. The quantum of increase depends on the actual resale price and the number of Treasury Shares resold.

1.5.4 Earnings

The effect of the Proposed Renewal of Share Buy-Back Mandate on the consolidated earnings of PJD Group depends on the purchase price, the number of Purchased Shares and the effective cost of funding or any loss in interest income to PJD Group in implementing the Proposed Renewal of Share Buy-Back Mandate.

In the event the Treasury Shares are resold, the extent of the effect on earnings of PJD Group will depend on the actual resale price, the number of Treasury Shares resold and the effective gain or interest savings arising therefrom.

1.5.5 Shareholdings of Directors and Substantial Shareholders

The effect of the full implementation of the Proposed Renewal of Share Buy-Back Mandate on the shareholdings of Directors and Substantial Shareholders of PJD is set out as follows:

	Shareholding as at LPD				Shareholding after full implementation of the Proposed Renewal of Share Buy-Back Mandate			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% ¹	No. of Shares	% ¹	No. of Shares	% ²	No. of Shares	% ²
Directors								
Tan Sri Ong Leong Huat @ Wong Joo Hwa	241,802	0.05	97,722,481 ³	21.63	241,802	0.06	97,722,481 ³	23.79
Wong Chong Shee	4,004,000	0.89	-	-	4,004,000	0.97	-	-
Puan Sri Khor Chai Moi	32,779,206	7.26	106,113,841 ³	23.49	32,779,206	7.98	106,113,841 ³	25.83
Yap Yoon Kong	-	-	1,025,000 ⁴	0.23	-	-	1,025,000 ⁴	0.25
Ong Ju Xing	218,000	0.05	8,656,860 ³	1.92	218,000	0.05	8,656,860 ³	2.11
Dato' Abdul Rahman bin Yusof	-	-	-	-	-	-	-	-
Loy Tuan Bee	-	-	-	-	-	-	-	-
Foo San Kan	-	-	-	-	-	-	-	-

	Shareholding as at LPD				Shareholding after full implementation of the Proposed Renewal of Share Buy-Back Mandate			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% ¹	No. of Shares	% ¹	No. of Shares	% ²	No. of Shares	% ²
Substantial Shareholders								
Dindings Consolidated Sdn Bhd	92,525,481	20.48	-	-	92,525,481	22.52	-	-
Tan Sri Ong Leong Huat @ Wong Joo Hwa	241,802	0.05	96,925,481 ⁵	21.46	241,802	0.06	96,925,481 ⁵	23.59
Puan Sri Khor Chai Moi	32,779,206	7.26	105,316,841 ⁵	23.32	32,779,206	7.98	105,316,841 ⁵	25.63

Notes:

¹ Calculated based on 451,708,392 Shares (being the total issued and paid-up share capital of the Company excluding 4,778,300 Treasury Shares as at LPD).

² Calculated based on the assumption that the Proposed Renewal of Share Buy-Back Mandate is implemented in full and that the maximum of 45,648,669 Shares was purchased from the public entirely (including PJD Shares that have been purchased and retained as Treasury Shares), being 10% of the total issued and paid-up share capital of the Company as at LPD, and retained as Treasury Shares and/or to be cancelled.

³ Deemed interested pursuant to Section 6A and Section 134(12)(c) of the Act.

⁴ Deemed interested pursuant to Section 134(12)(c) of the Act.

⁵ Deemed interested pursuant to Section 6A of the Act.

1.6 PUBLIC SHAREHOLDING SPREAD

The Board is mindful that the Company must ensure that at least 25% of its total listed shares (excluding Treasury Shares) are in the hands of public shareholders pursuant to the Listing Requirements. The Company must not purchase its own Shares on the market of Bursa Securities if that purchase(s) will result in the Company being in breach of the Listing Requirements pertaining to public shareholding spread.

As at LPD, the public shareholdings spread of the Company was 63.53% of its total issued and paid-up share capital.

Based on the public shareholdings spread of the Company as at LPD, assuming the Proposed Renewal of Share Buy-Back Mandate is implemented in full with the purchase from the public entirely and all the Purchased Shares will be retained as Treasury Shares and/or cancelled, the public shareholdings spread of the Company is expected to reduce to 59.90%.

1.7 IMPLICATIONS IN RELATION TO THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2010 ("THE CODE")

The Board does not anticipate any implication relating to the Code, as may be amended or modified from time to time, even if the allowed maximum number of PJD Shares is purchased pursuant to the authority granted under the Proposed Renewal of Share Buy-Back Mandate.

Pursuant to the Code, a person or a group of persons acting in concert will be required to make a mandatory general offer if his/their stake(s) in the Company is/are increased to beyond 33% of its issued and paid-up share capital or if his/their existing shareholding(s) is/are more than 33% but less than 50% and it exceeds by another 2% in any 6 months' period.

However, in the event that the obligation of Substantial Shareholders and/or persons acting in concert is triggered to undertake a mandatory general offer due to the implementation of the Proposed Renewal of Share Buy-Back Mandate, the affected Substantial Shareholders and/or persons acting in concert may seek a waiver from the Securities Commission Malaysia pursuant to Section 219 of the Capital Markets and Services Act 2007 subject to the relevant conditions being met since the increase of their shareholdings is inadvertent and is a result of an action beyond their direct participation.

2. APPROVAL REQUIRED

The Proposed Renewal of Share Buy-Back Mandate is subject to the approval of the shareholders of PJD at its forthcoming 49th AGM.

3. INTERESTS OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND PERSONS CONNECTED

Save for the inadvertent increase in the percentage shareholdings and/or voting rights of the shareholders of the Company as a consequence of the implementation of the Proposed Renewal of Share Buy-Back Mandate, none of the Directors or Substantial Shareholders or their Persons Connected has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Mandate or resale of Treasury Shares, if any.

4. DIRECTORS' RECOMMENDATION

Having considered all aspects of the Proposed Renewal of Share Buy-Back Mandate, the Board is of the opinion that this proposal is in the best interest of PJD. Accordingly, the Board recommends that you vote in favour of the resolution in respect of the Proposed Renewal of Share Buy-Back Mandate to be tabled at the forthcoming 49th AGM.

5. AGM

The resolution pertaining to the Proposed Renewal of Share Buy-Back Mandate is set out in the Notice of the Company's 49th AGM, which is sent to you together with this Circular/Statement. An extract of the said resolution is enclosed as Appendix II of this Circular/Statement.

The 49th AGM of the Company will be held on Thursday, 27 November 2014 at 10.00 a.m. at Grand Hibiscus, Level 3, Swiss-Garden Hotel & Residences Kuala Lumpur, 117 Jalan Pudu, 55100 Kuala Lumpur Malaysia.

If you are unable to attend and vote in person at the forthcoming 49th AGM and wish to appoint a proxy to attend and vote in your stead, you are requested to complete, sign and return the Proxy Form enclosed in the Company's Annual Report 2014 in accordance with the instructions contained therein and deposit the original copy of the duly signed and/or sealed Proxy Form at the office of the Company's Share Registrar, Boardroom Corporate Services (KL) Sdn Bhd at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia no less than 48 hours before the time set for the 49th AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the 49th AGM should you subsequently wish to do so.

6. FURTHER INFORMATION

Shareholders of the Company are advised to refer to Appendix I for further information.

Yours faithfully
For and on behalf of the Board of
PJ DEVELOPMENT HOLDINGS BERHAD

Loy Tuan Bee
Independent Non-Executive Director

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1. Directors' responsibility statement

This Circular/Statement has been seen and approved by the Directors of PJ Development Holdings Berhad ("the Company" or "PJD") who collectively and individually accept full responsibility for the accuracy of the information given therein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular/Statement misleading.

2. Material contracts

Save as disclosed below, neither the Company nor any of its subsidiaries has entered into any material contracts (not being contracts entered into in the ordinary course of business) during the two (2) years immediately preceding the date of this Circular/Statement:

- (i) Sale and purchase agreement dated 31 May 2013 was entered between PJD Central Sdn Bhd (formerly known as Sun-PJDC Sdn Bhd) ("PJDC") and DKSH Central Services Malaysia Sdn Bhd ("DCS") for the purchase by PJDC from DCS of all that piece of leasehold land measuring approximately 258,746 sq. ft. and held under Pajakan Negeri 3696, Lot 52 Seksyen 13, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor together with the office and industrial buildings and warehouses erected thereon, for a total cash consideration of RM124,200,000.00 ("Agreement I"). The Agreement I was completed on 17 October 2013.
- (ii) Contract of Sale of Real Estate dated 23 July 2014 was entered between Dynasty Falls Pty Ltd (ACN 055 510 720) ("Dynasty") and Yarra Park City Pty Ltd (ACN 169 645 103) ("Yarra"), a 75% owned subsidiary of PJD, for the purchase by Yarra from Dynasty of all that piece of freehold vacant land with car park operations contained within three Certificates of Title being Volume 10505 Folio 219, Volume 10315 Folio 116 and Volume 10972 Folio 036 measuring approximately 2.026 hectares (equivalent to 20,259 sq.m.) bearing postal address of 93-119 Kavanagh Street, Southbank, Victoria 3006, Australia, for a total purchase consideration of AUD145,000,000.00 (approximately AUD7,150/sq.m.) ("Agreement II"). The Agreement II is expected to complete on 18 December 2014, being the last day for the payment of the balance purchase consideration.

3. Material litigation

Save as disclosed below, neither the Company nor any of its subsidiaries is, as at LPD (as defined in this Circular/Statement), engaged in any material litigation, claims or arbitration, either as plaintiff or defendant which has a material effect on the financial position or business of PJD Group. The Directors of PJD are not aware of any proceeding, pending or threatened against PJD Group or any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of PJD Group:

- (i) Kuala Lumpur High Court Suit No.: D6-22-1529-2005
Swiss-Garden International Vacation Club Berhad vs Swiss Marketing Corporation Sdn Bhd

Swiss-Garden International Vacation Club Berhad ("SGIVCB"), a wholly owned subsidiary of PJ Development Holdings Berhad ("the Company") had initiated a civil suit against an external agent, Swiss Marketing Corporation Sdn Bhd ("Agent") on 8 November 2005.

The civil suit was in respect of the wrongful repudiation by the Agent of the Marketing Agreement dated 2 July 2001 (which was exclusively entered into by the parties to enable the Agent to promote and sell SGIVCB's 'timeshare' memberships to the public at large). The repudiation resulted in SGIVCB having suffered, amongst others, losses and damages amounting to RM5,280,344.00. The Agent had filed a counter-claim against SGIVCB claiming for its marketing fee which is due in the sum of RM21,091,398.31, electricity and rental charges in the sum of RM90,995.32, interests and costs.

The High Court on 27 August 2010 allowed SGIVCB's claim against the Agent and ordered the Agent to pay damages amounting to RM5,231,706.00, damages for the loss of use of promotion materials amounting to RM48,638.16; damages for misrepresentation and loss of goodwill of SGIVCB to be assessed by a Senior Assistant Registrar; as well as interest at 8% per annum, commencing from the date when the writ was filed until full and final satisfaction and costs.

The High Court also allowed the Agent's counter-claim for marketing fee, rental arrears amounting to RM1,840.00 and related costs. The amount of the said marketing fee, however, would be assessed by a qualified accountant and set off with the damages awarded to SGIVCB.

The High Court appointed a qualified accountant, UHY Advisory (KL) Sdn Bhd ('UHY') for the assessment of the marketing fee on 3 September 2010, which was submitted on 21 March 2011, but was rejected by the High Court on 3 December 2012. Consequently, the High Court ordered the qualified accountant to recalculate the marketing fees ("High Court's Order dated 3 December 2012"). On 12 August 2014, our solicitors attended the mention fixed before the High Court Judge. The Judge has fixed a further mention date on 2 September 2014. On 2 September 2014, the Agent informed the High Court that the Agent needs to clarify with UHY on two parts of the revised report before accepting it. The High Court Judge then fixed 7 October 2014 as the final mention date ("Final Mention Date") for the Agent to inform the Court on the acceptability of the revised report.

The Agent on 27 December 2012 filed an appeal to the Court of Appeal against the High Court's Order dated 3 December 2012 ('Agent's Appeal'). On 2 July 2014, the Court of Appeal dismissed the Agent's Appeal with costs of RM10,000.00 to be paid to SGIVCB ("Decision dated 2 July 2014"). The Agent subsequently filed a Notice of Motion to apply for leave from the Federal Court to appeal against the Decision dated 2 July 2014 ("Agent's Leave Application"). However, on 25 September 2014, the Federal Court unanimously dismissed the Agent's Leave Application with costs of RM10,000.00 to be paid to SGIVCB ("Decision dated 25 September 2014"). With the Decision dated 25 September 2014, the High Court's Order dated 3 December 2012 stands.

On 7 October 2014 (the Final Mention Date), the Agent has informed the High Court that there are three (3) parts of the revised report that are not agreeable. As such, the High Court has fixed a hearing date on 21 October 2014 for parties to submit on the said issues and for the High Court to decide whether to adopt the revised report as of March 2013 as final and accept the sum of marketing fees being RM5,143,940.00 as per the revised report.

SGIVCB's solicitors are of the view that since the Federal Court has dismissed the Agent's Leave Application and assuming the High Court accepts the revised marketing fees report as at March 2013, the estimated damages payable by the Agent to SGIVCB is RM136,404.00 (being the difference between the amount of losses payable by the Agent to SGIVCB and the amount of outstanding marketing fees as at March 2013 owed by SGIVCB to the Agent as calculated under the revised marketing fees report), excluding interest, damages for misrepresentation and loss of goodwill (which have not been assessed) and costs.

The Board of Directors are of the opinion that the damages together with the accrued interests awarded by the High Court to SGIVCB notwithstanding the Agent's Leave Application, will not have a material impact on the financial statements of the Group.

- (ii) Kuantan High Court Suit No. 22-55-2011
Karisma Sempurna Sdn. Bhd., Koperasi Perumahan Kluang Berhad and Wonderful Mineral Resources Sdn. Bhd. vs PJD Pravest Sdn. Bhd.

PJD Pravest Sdn. Bhd. ('Pravest'), a wholly owned subsidiary of PJ Development Holdings Berhad ("the Company") discovered trespass on its land held under H.S.(D) No. 18906 P.T. 1664, Mukim Penor, District of Kuantan, Pahang ('Land') and a police report was lodged on 5 March 2011.

Pravest subsequently discovered that there was a purported joint venture agreement ('JVA') dated 29 July 2010 entered by Pravest with Karisma Sempurna Sdn. Bhd., Koperasi Perumahan Kluang Berhad and Wonderful Mineral Resources Sdn. Bhd. ('Plaintiffs') to cultivate the Land for 30 years. Another police report was lodged in respect of the alleged involvement in the JVA.

On 11 April 2011, the Plaintiffs initiated a civil suit against Pravest, seeking to enforce the purported JVA ('Suit'). The Plaintiffs also filed an interlocutory application for an interim injunction to prevent Pravest from going into the Land, until disposal of the Suit, which was allowed by the High Court with costs ("Injunction Order").

On 20 January 2012, Pravest filed an application to vary the Injunction Order ('Pravest's Application'). On 9 March 2012, the High Court allowed the variation of the Injunction Order, allowing inter alia, Pravest to take necessary steps to maintain the infrastructures built and cultivate the oil palm seedlings that have been planted on the land.

On 18 April 2013, the High Court of Kuantan dismissed the Plaintiffs' claim with cost to be determined by the Registrar (which has yet to be determined). The High Court had also allowed Pravest to enforce the undertaking as to damages by the Plaintiffs in the interim injunction.

On 16 May 2013, Pravest filed the Notice for Direction for assessment of damages in relation to the undertaking for damages under the order for interim injunction ("the Application for Assessment of Damages").

The Plaintiffs have on 17 June 2014 filed an application to cross-examine the deponent of Pravest's Affidavit in support of Pravest's Application for Assessment of Damages ("the Plaintiffs' Application"). The Court has directed the parties to exhaust affidavits by 9 July 2014 and fixed the hearing (by oral submissions) on 27 August 2014. The Court heard both parties' oral submissions on 27 August 2014 and the Court has on 30 September 2014 dismissed the Plaintiffs' Application with costs in the cause. Subsequently, the Court fixed Pravest's Application for Assessment of Damages for hearing on 31 October 2014 and the Court will hear Pravest's Application for Assessment of Damages without a need to cross-examine the deponent of Pravest's affidavit.

The Board of Directors is of the opinion that since the High Court has dismissed the Plaintiffs' Suit/claim with costs, coupled with the fact that the Plaintiffs had withdrawn their High Court Appeal, the case will not have a material impact on the financial statements of the Group.

4. Documents available for inspection

Copies of the following documents are available for inspection during normal business hours (except public holidays) at the registered office of the Company at 18th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur, Malaysia from the date of this Circular/Statement up to and including the date of the 49th AGM:

- (i) the Memorandum and Articles of Association of the Company;
- (ii) the Audited Consolidated Financial Statements of the Company for the past two (2) financial years ended 30 June 2013 and 30 June 2014;
- (iii) Agreement I and Agreement II as stated in section 2 above; and
- (iv) the relevant cause papers in respect of the material litigation as stated in section 3 above.

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Ordinary Resolution 9**Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("PJD Group") to enter into all arrangements and/or transactions involving the interests of Directors, major shareholders or persons connected with the Directors and/or major shareholders of PJD Group ("Related Parties") as set out in Part A of the Circular/Statement to Shareholders dated 31 October 2014 ("Proposed Renewal of RRPT Mandate") provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations; and
- (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

THAT such authority conferred by the shareholders of the Company upon passing of this resolution pertaining to the Proposed Renewal of RRPT Mandate will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company, unless by a resolution passed at that meeting, the authority is renewed;
- (ii) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but must not extend to such extensions as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) the authority is revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby empowered to complete and to do all such acts and things, including executing all such documents as may be required, as they may consider expedient or necessary to give effect to this resolution."

Ordinary Resolution 10**Proposed Renewal of Authority for the Company to Purchase its Own Shares**

"THAT, subject to the Companies Act, 1965 ("the Act"), the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given to the Company to purchase at any time such amount of ordinary shares of RM1.00 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors in their absolute discretion deem fit and expedient in the interest of the Company ("Proposed Renewal of Share Buy-Back Mandate") provided that:

- (i) the aggregate number of ordinary shares which may be purchased and retained as treasury shares by the Company pursuant to the Proposed Renewal of Share Buy-Back Mandate shall not exceed 10% of the total issued and paid-up share capital of the Company at any point of time; and
- (ii) the maximum funds to be allocated by the Company pursuant to the Proposed Renewal of Share Buy-Back Mandate shall not exceed the retained earnings and/or share premium of the Company as of the audited financial statements for the financial year ended 30 June 2014 at the time of purchase(s).

THAT the Directors of the Company may decide either to retain the shares purchased as treasury shares or to resell the shares or distribute the shares as dividends or to cancel the shares or to retain part of the shares so purchased as treasury shares and cancel the remainder, or to deal with the shares purchased in any other manner as prescribed by the applicable guidelines, rules and regulations made pursuant to the Act, the Listing Requirements and any other relevant authority for the time being in force.

THAT such authority conferred by the shareholders of the Company upon passing of this resolution pertaining to the Proposed Renewal of Share Buy-Back Mandate will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company, unless by a resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extensions as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

AND THAT the Directors of the Company be and are hereby empowered to complete and to do all such acts and things, including executing all such documents as may be required, as they may consider expedient or necessary to give effect to this resolution."