PJ DEVELOPMENT HOLDINGS BERHAD

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

ANNUAL REPORT 2012

Together We Build a Brighter Future

Contents

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty-Seventh Annual General Meeting of the Company will be held at Grand Hibiscus, Level 3, Swiss-Garden Hotel & Residences Kuala Lumpur, 117, Jalan Pudu, 55100 Kuala Lumpur, Malaysia on Thursday, 22 November 2012 at 10.00 a.m. for the following purposes:

As Ordinary Business

1. To receive the Report of the Directors and Audited Financial Statements for the year ended 30 June 2012 together with the Report of the Auditors thereon.
(Please refer Explanatory Note 1)

2. To declare a first and final dividend of 5 sen per ordinary share less income tax for the year ended 30 June 2012.
(RESOLUTION 1)

3. To re-elect the following Directors who retire under Article 115 and Article 114 of the Company's Articles of Association respectively, and who, being eligible, offer themselves for re-election:

(a) Wong Ah Chiew **(RESOLUTION 2)**

(b) Yap Yoon Kong **(RESOLUTION 3)**

(c) YM Ungku Haji Mohd Afandi bin Ungku Suleiman **(RESOLUTION 4)**

4. To approve the payment of Directors' fees of RM105,000 for the year ended 30 June 2012.
(RESOLUTION 5)

5. To re-appoint Messrs BDO as Auditors of the Company and to authorise the Directors to fix their remuneration. **(RESOLUTION 6)**

6. To transact any other ordinary business of which due notice shall have been given.

As Special Business

To consider and if thought fit, pass with or without any modification, the following resolutions:

7. **Ordinary Resolution 1**

Authority To Issue Shares.

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised with full powers to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as they may deem fit subject always to the approval of the relevant government/ regulatory authorities being obtained for such issue and provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued and paid-up capital for the time being of the Company and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued." **(RESOLUTION 7)**

8. **Ordinary Resolution 2**

Proposed Shareholders' Mandate For Recurrent Related Party Transactions.
("Proposed Shareholders' Mandate")

"THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval is hereby given to the Company and/ or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature provided such transactions are undertaken in the ordinary course of business, on arms length basis, on ordinary commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders as set out in Section 2.1 of the Circular to Shareholders dated 31 October 2012;

AND THAT such approval shall commence immediately and shall continue to be in force until the earlier of:

(a) the conclusion of the next Annual General Meeting of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the next Annual General Meeting; or

(b) the expiration of the period within which the next Annual General Meeting is to be held pursuant to Section 143(1) of the Companies Act, 1965 but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965; or

(c) the revocation or variation by resolution passed by the shareholders in general meeting before the next Annual General Meeting,

AND THAT the Directors of the Company be authorised to complete and do all such acts and things including executing such documents as may be required, necessary or expedient to give effect to the Proposed Shareholders' Mandate."

(RESOLUTION 8)

9. **Ordinary Resolution 3**

Proposed Renewal Of Authority For The Company To Purchase Its Own Shares. ("Proposed Share Buy-Back Renewal")

"THAT, subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase 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 Malaysia Securities Berhad ("Bursa Securities") upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

(a) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total issued and paid-up capital of the Company as quoted on Bursa Securities as at the point of purchase;

(b) the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings and share premium reserves of the Company at the time of the purchase(s); and

(c) the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder and to deal with the shares so purchased in such other manner as may be permitted by the relevant legislations and regulations,

AND THAT the authority conferred by this resolution shall commence immediately and shall continue to remain in force until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held, or revoked or varied by ordinary resolution passed by the shareholders in general meeting, whichever occurs first,

AND THAT authority be and is hereby given to the Directors of the Company to act and to take all such steps and do all things as are necessary or expedient to implement, finalise and give full effect to the aforesaid purchase."

(RESOLUTION 9)

Notice of Annual General Meeting

10. **Special Resolution 1**

    Proposed Amendments To The Articles of Association Of The Company.

    "THAT the proposed amendments to the Articles of Association of the Company as set out in the Circular to Shareholders dated 31 October 2012 be and are hereby approved and that the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all steps as may be considered necessary to give full effect to the proposed amendments to the Articles of Association of the Company."

    (RESOLUTION 10)

By Order of the Board

LEONG KENG YUEN (MIA 6090)
WONG TIEW KIM (MAICSA 0766807)
Secretaries

Kuala Lumpur
31 October 2012

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 12 November 2012 ("General Meeting Record of Depositors") are entitled to attend, speak and vote at the Forty-Seventh Annual General Meeting ("Meeting") of the Company to be held on 22 November 2012.

2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies (but not more than two) to attend and vote in his stead. If two proxies are appointed, the number of shares each person is entitled to vote must be stated in the form of proxy. A proxy need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.

3. Where a member of the Company is an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositors) Act, 1991, 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.

4. All forms of proxy must be deposited at the Registered Office of the Company at 18th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its Common Seal or the hand of its attorney.

Explanatory Notes :

1. **Item 1 of the Agenda**
   This Agenda item is meant for discussion only, as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

2. **Ordinary Resolution 1**

   This Ordinary Resolution, if passed, will empower the Directors to issue shares in the Company up to an amount not exceeding in total 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors consider would be in the interests of the Company.

   As at the date of this notice, no new shares of the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 24 November 2011 which will lapse at the conclusion of the Forty-Seventh Annual General Meeting of the Company.

Notice of Annual General Meeting

The general mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions as well as to avoid any delay and cost in convening the general meetings to specifically approve such an issuance of shares.

3. **Ordinary Resolution 2**

   This Ordinary Resolution, if passed, will provide a new mandate for the Company and its subsidiaries to enter into recurrent related party transactions with related parties in the ordinary course of business based on commercial terms which are not more favourable to the related parties than those generally available to the public which are necessary for the Group's day-to-day operations and shall lapse at the conclusion of the next Annual General Meeting unless authority for the approval is obtained from the shareholders of the Company at a general meeting. Please refer to the Circular to Shareholders dated 31 October 2012 for further information.

4. **Ordinary Resolution 3**

   This Ordinary Resolution, if passed, will provide a new mandate for the Company to purchase its own shares up to 10% of the issued and paid-up capital of the Company and shall lapse at the conclusion of the next Annual General Meeting unless authority for the approval is obtained from the shareholders of the Company at a general meeting. Please refer to the Circular to Shareholders dated 31 October 2012 for further information.

5. **Special Resolution 1**

   The Special Resolution, if passed, will streamline the Company's Articles of Association with the provisions of the Companies Act, 1965 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the Circular to Shareholders dated 31 October 2012 for further information.

Statement Accompanying Notice of Annual General Meeting

1. Directors who are standing for re-election at the Forty-Seventh Annual General Meeting of the Company -

   (a) Wong Ah Chiew
   (b) Yap Yoon Kong
   (c) YM Ungku Haji Mohd Afandi bin Ungku Suleiman

   Further details of Directors who are standing for re-election are set out in the Profile of Directors of this Annual Report.

Corporate Information

BOARD OF DIRECTORS

1. YM Ungku Haji Mohd Afandi bin Ungku Suleiman
(Independent Non-Executive Chairman)

2. Wong Ah Chiew
(Managing Director)

3. Wong Chong Shee
(Deputy Managing Director)

4. Puan Sri Khor Chai Moi
(Executive Director)

5. Yap Yoon Kong
(Executive Director)

6. Ong Ju Xing
(Executive Director)

7. Au Chun Choong
(Independent Non-Executive Director)

8. Loy Tuan Bee
(Independent Non-Executive Director)

AUDIT COMMITTEE

Au Chun Choong
(Chairman and Independent Non-Executive Director)

YM Ungku Haji Mohd Afandi bin Ungku Suleiman
(Independent Non-Executive Director)

Loy Tuan Bee
(Independent Non-Executive Director)

SECRETARIES

Leong Keng Yuen (MIA 6090)
Wong Tiew Kim (MAICSA 0766807)

REGISTERED OFFICE

18th Floor, Plaza OSK
Jalan Ampang
50450 Kuala Lumpur
Malaysia
Tel No. : 03-2162 1111
Fax No. : 03-2163 3336
Website : www.pjd.com.my

REGISTRARS

Boardroom Corporate Services (KL) Sdn. Bhd.
Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel No. : 03-7720 1188
Fax No. : 03-7720 1111

AUDITORS

BDO (AF 0206)
12th Floor, Menara Uni. Asia
1008 Jalan Sultan Ismail
50250 Kuala Lumpur

PRINCIPAL BANKERS

Public Bank Berhad
United Overseas Bank (Malaysia) Berhad
Malayan Banking Berhad

STOCK EXCHANGE LISTING

Main Market, Bursa Malaysia Securities Berhad

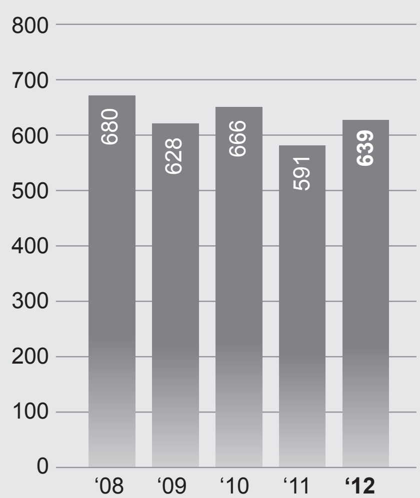
INCORPORATION

The Company is a public limited liability company, incorporated under the Companies Act, 1965 and domiciled in Malaysia.

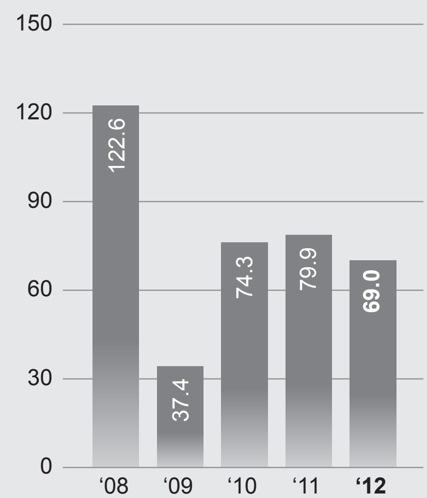
Five Years Group Financial Highlights

Financial Year Ended (RM Million)	2012 June	2011 June	2010 June	2009 June	2008 June
Revenue	639	591	666	628	680
Profit Before Tax	69.0	79.9	74.3	37.4	122.6
Profit After Tax And Non-Controlling Interests	52.1	55.5	52.7	22.7	101.8
Paid-up Capital	456	456	456	456	456
Shareholders' Funds	920	895	826	787	793
Basic Earnings Per Share (sen)	11.5	12.5	11.6	5.0	22.3
Dividends Per Share (sen)	5.0	5.0	5.0	3.0	5.0
Net Tangible Assets Per Share (RM)	2.01	1.95	1.80	1.72	1.72

REVENUE
(RM MILLION)



PROFIT BEFORE THE TAX
(RM MILLION)



YOU CITY, Cheras, Perspective View

Chairman's Review

On behalf of the Board of Directors, it is my pleasure to present to you the Annual Report and Audited Financial Statements of PJ Development Holdings Berhad and the Group for the financial year ended 30 June 2012.

FINANCIAL REVIEW

The Group recorded a turnover of RM638.9 million for the financial year under review, representing an increase of 8.1% over the previous financial year's turnover of RM591.3 million.

For the financial year under review, the Group registered a pre-tax profit of RM69.0 million as against a pre-tax profit of RM79.9 million for the previous financial year. Net assets per share of the Group as at 30 June 2012 was RM2.02.

DIVIDEND

The Board of Directors has recommended for your approval payment of a first and final dividend of 5 sen per ordinary share less income tax in respect of the financial year ended 30 June 2012.

OUTLOOK

The Malaysian economy showed growth above 5% in year 2011 which indicates a solid performance and the trend is anticipated to continue in year 2012 albeit with a slight decrease in growth. However, the lack of clarity in the external economic environment against the backdrop of the European and USA crises may tamper global growth.

Chairman's Review

Swiss-Inn Kuala Lumpur, Café Petaling

With these factors in mind, PJD Group will continue on its prudent strategy of cautious acquisitions and spending, conscious cost savings initiatives and financial investments in our internal competencies and systems to mitigate the challenges.

In our Property Development division, the PJD brand is synonymous with the core values of reliability, commitment and integrity. These values have over the years seen us through with timely, quality and successful delivery of our projects in Malaysia. We create our brand value of an eco-friendly concept by adopting the green building index in our property development and adherence to the Environmental Management Systems (EMS). We aim to position ourselves as a "Relationship Developer" with a deep sense of responsibility for the environment and our commitment to delivering quality customer services through our Customer Care Management (CCM) system.

The Construction division remained resilient with stronger profits on the back of higher revenue despite a challenging business environment. Outlook seems brighter as construction activities in Malaysia are forecasted to improve, thanks to the projects implemented under the Economic Transformation Programme.

Hand in hand, our Building Materials division is now focused on the production of wall panels and trading activities, having relinquished its roof tiles operations. This Division is confident of growth in tandem with the increase in construction projects in the next financial year.

The Cables division has embarked on an upgrading programme in machineries to improve capacity and increase efficiency in further penetration into additional sectors and markets. Our operation in Vietnam continue to operate under challenging conditions but relentless marketing efforts are made to build up sales in Vietnam and also to penetrate into neighbouring Asian countries.

In year 2011 Malaysia registered over 24 million tourist arrivals with tourist receipts at RM58.3 billion, about 3.19% better than as compared to the previous year. The global economic trend has encouraged more travellers to the South East Asia region. Malaysia is increasing its competitiveness as a tourist destination and these efforts are synergistic to the Hotels and Leisure division.

Damai Laut Golf & Country Club

Looking forward, the Board remains confident and is of the opinion that the Group's operations will continue to perform satisfactorily in the coming financial year.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I would like to express our gratitude and thanks to all our shareholders, valued customers, business partners and associates, bankers and regulators for their contributions and support in one way or another.

My commendation extends to all our employees, the Management team and the Board members for their dedicated teamwork and untiring commitment.

YM Ungku Haji Mohd Afandi Bin Ungku Suleiman
Chairman
17 October 2012

Managing Director's Operations Review

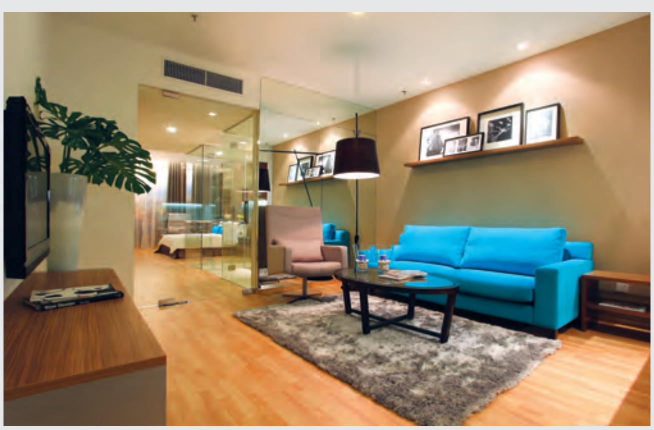
D'MAJESTIC

Developer : PJD Realty Sdn Bhd
Types : Hotel Suites - 100 units fully furnished
282 to 579 sq ft
: Residenz - 135 units fully furnished
688 to 1,329 sq ft
Gross Development Value (GDV) : RM 170 million

PROPERTY DEVELOPMENT

Property development remains the core business of the Group during the financial year under review contributing 29.0% of total revenue. The Division launched three new projects namely D'MAJESTIC in Kuala Lumpur, YOU ONE in Subang, USJ and SWISS-GARDEN RESORT RESIDENCES in Kuantan. The new phases of HARBOUR PLACE, the first metrocity in Butterworth named WELLESLEY RESIDENCES and Park Villas, semi-detached homes in MONT CALLISTA, Johor were also launched during the financial under review. With these projects coming into full steam in the coming financial year, the Division anticipates improved performance.

In Kuala Lumpur our new icon, D'MAJESTIC at Jalan Pudu was successfully launched in May 2012. Our concept of the five GREAT reasons to own a unit in this 20 storey tower has appealed to the home owner. With its proximity to distinct landmarks such as KLCC, Bukit Bintang city centre, the proposed Tun Razak Exchange, the new IKEA (within the Cochrane Development), the proposed Warisan Merdeka and the up-coming Pudu Corridor, this property will enjoy more 'greats' in great conveniences and great amenities. This property will be managed by our reputable hotel manager and operator, Swiss-Garden International Sdn Bhd (SGI) upon completion.



YOU ONE

Developer	: PJD Landmarks Sdn Bhd
Type	: Residenz Suites - 457 units 650 to 2,790 sq ft
GDV	**: RM215 million**

YOU ONE in Subang USJ is envisaged to be a Green Building Index compliant development representing a new residential green-building in the Subang vicinity. The project's environmental approach is to create a distinctive high-quality building that responds well to the tropical climate and urban context. Its master-plan seamlessly integrates well-designed living spaces with upscale facilities and enriching amenities. YOU ONE also boasts of a convenient location in view of the LRT extension to be completed in the vicinity. About 70% of the units at Residenz B was sold during its sales launch and Residenz A which was opened for sale a week later received similar encouraging response. The SoHo, designer live-work homes, is expected to be launched within the fourth quarter of year 2012.

Transforming Lifestyle - 'A-City-Within-A-City' in YOU CITY, Cheras is a freehold integrated mix development that comprises residential, recreational, commercial and retail components. The development is strategically located within the routes of the MRT Line which is expected to be completed in year 2016. YOU CITY will offer affordable homes whilst enjoying a comprehensive living solution designed for the young and modern community. Phase One with an approximate Gross Development Value (GDV) of RM190 million launched in the third quarter of year 2012, will comprise service apartments with sizes ranging from 533 to 1,453 sq ft for the standard units and 2,524 to 2,777 sq ft for the duplexes and penthouses. These will be housed within two tower blocks of 31 and 27 storey with retail lots, podium level recreation deck together with sky gymnasium and sky lounge.

Managing Director's Operations Review

SWISS-GARDEN RESORT RESIDENCES, KUANTAN

Developer	: PJD Sejahtera Sdn Bhd
Phase 1	: Sand Series
Types	: Studio 88 units - 492-554 sq ft 2 bedroom 176 units - 708-806 sq ft
GDV	**: RM 92 million**

The launch of SWISS-GARDEN RESORT RESIDENCES in Sungai Karang, Kuantan, Pahang in the East Coast of Peninsula Malaysia in October 2011 was well received by both local and foreign investors. Located just a stone throw away from our Swiss-Garden Resort & Spa Kuantan, this resort will also be managed by SGI. The first phase of this 22 acres freehold iconic resort village, namely the Sand Series, comprises service apartments, town villas and business kiosks. A thematic water park feature further adds to the overall appeal of the resort. With 70% of the Sand Series units sold to date, Phase Two, beautifully named the Coral Series is now at the planning stage and is set to continue the success of the development.

HARBOUR PLACE proudly launched the fourth phase of its development known as WELLESLEY RESIDENCES in July 2011. With a GDV of about RM130 million, this phase received an overwhelming response with a majority of interests coming from residents of our earlier phases. With a choice of four designs, WELLESLEY RESIDENCES complements and enhances the necessities of the urban family healthy-living. The condominium features a sky gymnasium, yoga and aerobic zone, sauna and steam rooms, jacuzzi, massage zone, open lawn and landscape areas, sky lounge, games zone and an exclusive viewing deck. Sitting alongside the proposed massive RM2 billion Penang Sentral project in Butterworth, WELLESLEY RESIDENCES is placed at a very advantageous and strategic spot. More good news comes in the form of a proposed undersea tunnel linking Tanjung Tokong in Penang and Bagan Ajam in Butterworth which is just a stone's throw away.

Grow Homes, two-storey terraces and Melody Homes, single storey terraces at Parcel 10G, TAMAN PUTRI KULAI, Johor were launched in November 2011. The homes are targeted to be completed by November 2013. MONT CALLISTA, our other upscale development in the southern region is located on a hilltop within the Iskandar Malaysia zone. This area is a catalytic development region that will spur growth in Johor and the resulting property appreciation. Parkvilla Signature, two-storey semi-detached from the best selling Parkvilla series, was launched in November 2011 with 70% of the units sold to-date. Quadro Homes, two-storey cluster homes, the final release of MONT CALLISTA is now open for registration and was launched in the third quarter of year 2012.

PJD Group's current and forthcoming property developments demonstrate our commitment to building a total holistic lifestyle environment to elevate and transform the quality of life of our home owners and at the same time to provide sustainable high value investments to our buyers.

www.pjdprop.com.my

CONSTRUCTION

The Division has recorded healthy growth in its order books attributed to increased visibility on its brand name, especially in the residential building sector. During the financial year under review, the Division has secured substantial value contracts in major states in Peninsula Malaysia which would see us through into year 2013 and beyond. Relentless efforts will continue to be made to replenish our current order book, both in the private and government sectors.

We will emphasise on the timely execution of our current projects-in-hand by devoting more resources and intensifying efforts to ensure smooth completion of the projects. Our commitment to improve quality and delivery through increased productivity and better management of wastages will improve our competitiveness in the industry.

With the forecasted increase in the volume of construction activities in the country, the Division is confident to contribute positively to the future earnings of the Group.

www.pjd.com.my

CABLES

The Division recorded an increase of 19% in turnover over the previous financial year. This increase was attributed to strong local demand supported by buoyant construction activities in Malaysia. The Vietnam operation also recorded improvement in sales as its brand is gaining acceptance in the local market even in difficult economic conditions. The operating profit was marginally lower than last year, reflecting the competitive nature of the industry.

For the coming financial year, we anticipate a challenging year ahead in view of the slow uptake of the order book-in-hand in the first quarter coupled with margin squeeze due to stiff competition. However, the Management hope to mitigate the situation by introducing new products and diversifying into new markets in the neighbouring Asian countries.

Our cable business is much tied-in with the construction activities and the oil and gas industries. Barring any adverse slowdown in these sectors, we are confident of sustaining our competitive edge and to contribute positively to the Group.

www.olympic-cable.com.my

Managing Director’s Operations Review

BUILDING MATERIALS

The Division has recorded 37% growth in pre-tax profit over the last financial year. The increase was largely due to the continued strong local and overseas demand coupled with the expansion of production capacities.

We have a distribution network throughout the country serviced by our sales teams. Expansion in this area and with better control on the products being distributed and the promotions for each region, we anticipate improved margins and sales.

The Division is confident to meet the challenges in the coming year.

www.acotec.my

HOTELS & LEISURE

The Hotels division recorded another year-on-year growth. There was an increase in our Division’s revenue as compared to the same period last year and the strongest segment is from leisure travellers from the short and mid-haul sectors. This is attributed to the emergence of low cost carrier airlines with new regional destinations offered.

The Group’s brand portfolio was expanded with the management of Swiss-Garden Hotel Malacca, comprising 306 rooms which is scheduled for opening in year 2014. The Group’s foray into the historical state is timely as demand and growth opportunities for hotels here have escalated. As part of the Group’s brand strategy, the Swiss-Inn Kuala Lumpur was refurbished and rebranded as an international Hip hotel. The lobby, Café Petaling and the rooms were refurbished to meet evolving hospitality and travelling trends. We achieved an average occupancy of 80% and we are optimistic that the trend will continue to grow for Swiss-Inn Kuala Lumpur.

South East Asia has become a popular tourist destination hub. In year 2011, Malaysia received the ninth-highest tourist arrivals in the world making it an attractive tourist destination. The healthy tourism trend will augur well for the Hotels division and we are optimistic of another year-on-year growth.

www.swissgarden.com

Swiss-Garden Resort & Spa Kuantan

For the financial year under review, the improved economic landscape has seen the Timeshare division emerge from its challenges in the previous financial year with better performance. The stronger performance was attributed to the strengthening of our sales and marketing teams and the Division's focus to deliver quality products. We have positioned ourselves as one of the leading brands in the Timeshare industry.

Going forward, the Division will look to building new sales channels, focus on targeted segments of the market and elevate our service levels. We believe that such strategies will propel the Division to new heights in the next financial year.

www.sgivacationclub.com

Wong Ah Chiew
Managing Director
17 October 2012

Swiss-Inn Kuala Lumpur

Corporate Social Responsibility

Together We Build a Brighter Future

At PJD, we strive to be a valued corporate citizen by committing to sustainable development of society and taking into consideration the economic, environmental and social impact of our actions in business operations. Our divisions have actively participated in many socially related and environmental related activities and programs throughout the financial year under review.

The Group's most significant effort towards a green environment in the last financial year under review was to increase the sustainability of its developments. All present and future property developments will be Green Building Index (GBI) certified, starting with those within Klang Valley area.

1 In-House Training
4 Hari Raya Open House

2 Company Trip
5 Children's Home Donation

3 Earth-hour
6 Cheer to Children's Home

We continue to play an active role in preserving the environment and social welfare with our growing presence in the resident communities within and surrounding our properties. This demonstrates our commitment in doing our part via our community portals, environmental and charity activities nationwide.

Cultivating a culture that motivates performance at the workplace, we at PJD rewards employees with celebrations for festivities, company trips, birthdays, awards for performance and sponsoring sporting games and friendly competitions. In promoting awareness on an eco-friendly workplace, employees are encouraged to conserve energy with re-cycling campaigns, use of electronic mail and move towards a paperless environment.

'Together We Build a Brighter Future' has become a strong part of our working culture and way of life.

Corporate Social Responsibility

Human Resource

PJD remains committed to enhance the value of our human capital. The Group invests in learning and development for all levels of employees to equip them with the necessary skills and capability to boost their performance. Career progression opportunities are provided for employees to cater for the demands of the business environment and expansion plans of the Group.






7 Training Workshop
10 Contribution for School Building Fund

8 Staff Games
11 Teambuilding Training

9 Blood Donation
12 PJD Kids' Day

Performance Management Systems are in place to identify key performance indicators and competency-based appraisals. Employees are appraised on their achievements of targets and competencies befitting their position and scope of responsibilities.

The active participation of our employees in teambuilding and interactive activities, brainstorming sessions, consultative workshops and training seminars organized by the various divisions and subsidiary companies demonstrates our employees' strong sense of teamwork and determination for excellence.

Ulasan Pengerusi

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan yang telah diaudit bagi PJ Development Holdings Berhad dan Kumpulan bagi tahun kewangan berakhir 30 Jun 2012.

ULASAN KEWANGAN

Kumpulan telah mencatatkan perolehan sebanyak RM638.9 juta bagi tahun kewangan dalam ulasan yang menunjukkan peningkatan sebanyak 8.1% berbanding dengan perolehan bagi tahun kewangan yang lepas sebanyak RM591.3 juta.

Bagi tahun kewangan bawah ulasan, Kumpulan telah mencatatkan keuntungan sebelum cukai sebanyak RM69.0 juta berbanding dengan keuntungan sebelum cukai sebanyak RM79.9 juta bagi tahun kewangan yang lepas. Aset ketara bersih sesaham Kumpulan pada 30 Jun 2012 adalah RM2.02.

DIVIDEN

Lembaga Pengarah menyokong untuk mendapatkan kelulusan anda bagi pembayaran dividen pertama dan terakhir sebanyak 5 sen sesaham biasa setelah ditolak cukai pendapatan berkenaan bagi tahun kewangan berakhir 30 Jun 2012.

TINJAUAN

Ekonomi Malaysia menunjukkan pertumbuhan melebihi 5% pada tahun 2011 yang menunjukkan prestasi yang kukuh dan trend ini dijangka berterusan pada tahun 2012 meskipun dengan sedikit penurunan dalam pertumbuhan. Walaubagaimanapun, kesamaran pada persekitaran ekonomi luar dipengaruhi oleh krisis di Eropah dan Amerika Syarikat boleh mengganggu pertumbuhan global.

Dengan mengambilkira faktor-faktor ini, Kumpulan PJD akan meneruskan strategi pengambilalihan yang lebih berhemat dan berhati-hati, inisiatif terkawal dalam penjimatan kos serta kecekapan and kawalan dalaman dalam pelaburan kewangan untuk menangani cabaran.

Dalam Bahagian Pembangunan Hartanah kami, jenama PJD adalah sinonim dengan nilai-nilai teras kebolehpercayaan, komitmen dan integriti. Sejak sekian lama, nilai-nilai ini melihat kami mencapai ketepatan masa, kualiti serta kejayaan penghantaran projek kami di Malaysia. Kami mewujudkan nilai jenama melalui bangunan konsep gaya hidup mesra alam dan melalui pelaksanaan Index Bangunan Hijau dalam pembangunan hartanah kami dan kepatuhan kepada Sistem Pengurusan Alam Sekitar (EMS). Kami berhasrat untuk meletakkan diri sebagai 'Pemaju Hubungan" dengan rasa tanggungjawab yang mendalam terhadap alam sekitar dan komitmen kami untuk menyampaikan perkhidmatan pelanggan yang berkualiti melalui sistem Pengurusan Penjagaan Mesra (CCM).

Bahagian Pembinaan kekal berdaya tahan dengan keuntungan yang lebih kukuh di atas hasil yang lebih tinggi walaupun persekitaran perniagaan yang mencabar. Harapan kelihatan lebih cerah dengan tambahan aktiviti pembinaan di Malaysia, terima kasih kepada projek-projek yang dilaksanakan di bawah Program Transformasi Ekonomi.

Ulasan Pengerusi

Bahagian Bahan Bangunan kami kini tertumpu seiringan pada pengeluaran dinding panel dan aktiviti perdagangan, setelah melepaskan operasi pembuatan jubin bumbung. Bahagian ini yakin pertumbuhan seiring dengan projek-projek pembinaan dalam tahun kewangan yang akan datang.

Bahagian Kabel telah berjaya memulakan program peningkatan keupayaan jentera jentera di kilang untuk berusaha menembusi tambahan sektor dan pasaran. Operasi kami di Vietnam terus beroperasi di dalam keadaan mencabar tetapi usaha pemasaran yang tidak berhenti-henti untuk menjana jualan di Vietnam serta menembusi pasaran di negara jiran Asia.

Pada tahun 2011, Malaysia mencatatkan lebih 24 juta ketibaan pelancong dengan pendapatan pelancongan dalam RM58.3 bilion, kira-kira 3.19% lebih baik berbanding dengan tahun sebelumnya. Trend ekonomi global telah menggalakkan lebih ramai pelancong ke rantau Asia Tenggara. Malaysia sedang meningkatkan daya saingnya sebagai destinasi pelancongan dan usaha-usaha ini menyuntik sinergi kepada Bahagian Hotel dan Leisure.

Melihat ke hadapan, Lembaga Pengarah tetap berkeyakinan dan berpendapat bahawa operasi Kumpulan akan terus menunjukkan prestasi yang memuaskan dalam tahun kewangan yang akan datang

PENGHARGAAN

Bagi pihak Lembaga Pengarah, saya ingin mengucapakan penghargaan dan terima kasih kepada pemegang saham, pelanggan yang dihargai, rakan perniagaan dan bersekutu, pihak bank dan pengawal selia untuk sumbangan dan sokongan mereka dalam satu cara atau yang lain.

Pujian saya dipanjangkan kepada semua pekerja, pasukan Pengurusan dan ahli-ahli Lembaga Pengarah bagi kerja berpasukan yang berdedikasi dan komitmen tanpa jemu mereka.

YM Ungku Haji Mohd Afandi bin Ungku Suleiman
Pengerusi
17 Oktober 2012

PEMBANGUNAN HARTANAH

Pembangunan hartanah kekal sebagai perniagaan teras untuk Kumpulan bagi tahun kewangan dalam ulasan menyumbang 29.0% daripada jumlah hasil. Bahagian ini melancarkan tiga projek baru iaitu D'MAJESTIC di Kuala Lumpur, YOU ONE di Subang, USJ dan SWISS-GARDEN RESORT RESIDENCES di Kuantan. Fasa seterusnya dari HARBOUR PLACE, MetroCity yang pertama di Butterworth bernama WELLESLEY RESIDENCES dan Park Villas, rumah berkembar di MONT CALLISTA, Johor juga telah dilancarkan bagi tahun kewangan dalam ulasan. Dengan projek-projek yang akan datang ke tahap utama dalam tahun kewangan yang akan datang, Bahagian ini menjangkakan prestasi yang lebih baik.

Di Kuala Lumpur, ikon baru kami, D'MAJESTIC di Jalan Pudu telah berjaya dilancarkan pada bulan Mei 2012. Konsep “5 sebab HEBAT” untuk memiliki unit di menara 20 tingkat ini iaitu Lokasi, Rekabentuk, Pelaburan, Pengurusan dan Pemaju pasti menarik kepada pemilik rumah. Dengan berdekatan dengan mercu tanda terkemuka seperti KLCC, Pusat Bandar Bukit Bintang, Cadangan Bursa Tun Razak, IKEA baru (dalam lingkungan Pembangunan Cochrane), Warisan Merdeka yang dicadangkan dan yang akan datang Pudu Corridor, harta ini akan menikmati lebih hebat dalam kemudahan besar dan kemudahan hebat. Harta ini akan diuruskan oleh pengurus dan pengendali hotel terkemuka iaitu Swiss-Garden International (SGI).
Nilai Pembangunan Kasar (GDV) : RM170 juta

YOU ONE di Subang USJ dijangka menjadi Indeks Bangunan Hijau patuh pembangunan yang mewakili kediaman baru di sekitar Subang. Pendekatan alam sekitar projek itu adalah untuk mewujudkan sebuah bangunan berkualiti tinggi tersendiri yang bertindak baik dengan iklim tropika dan konteks bandar. Pelan induk yang dilancar mengintegrasikan ruang kehidupan yang direka baik dengan kemudahan mewah dan keselesaan kemudahan yang diperkaya. YOU ONE juga berhampiran dengan lokasi lanjutan LRT yang bakal siap. Kira-kira 70% daripada unit di Residenz B telah dijual semasa pelancaran jualan dan Residenz A yang telah dibuka untuk dijual seminggu kemudian menerima sambutan menggalakkan yang serupa. The SoHo, pereka kehidupan-kerja dirumah, dijangka akan dilancarkan pada suku keempat tahun 2012.
Nilai Pembangunan Kasar (GDV) : RM215 juta

Pelancaran SWISS-GARDEN RESORT RESIDENCES di Sungai Karang, Kuantan, Pahang di Pantai Timur Semenanjung Malaysia pada bulan Oktober 2011 telah diterima dengan baik oleh kedua-dua pelabur tempatan dan asing. Terletak tidak jauh dari Swiss-Garden Resort & Spa Kuantan, resort ini juga akan diuruskan oleh SGI. Fasa pertama di pegangan bebas ikonik seluas 22 ekar country resort ini, iaitu Sand Series, terdiri daripada pangsapuri perkhidmatan, villa bandar dan kiosk perniagaan. Sebuah taman tema air menambahkan kepada tarikan keseluruhan resort. Dengan 70% daripada unit Sand Series yang telah dijual setakat ini, Fasa Dua, iaitu Coral Series kini di peringkat perancangan dan bersedia untuk meneruskan kejayaan pembangunan.
Nilai Pembangunan Kasar (GDV) : RM92 juta

Transformasi Gaya Hidup – ‘Bandar-di-dalam-satu-Bandar’ di YOU CITY, Cheras dengan pegangan kekal bersepadu pembangunan penggunaan campuran yang terdiri daripada kediaman, rekreasi, komponen komersil dan runcit. Pembangunan yang strategik terletak dalam laluan MRT yang dijangka siap pada tahun 2016. YOU CITY akan menawarkan rumah mampu milik sambil menikmati penyelesaian hidup menyeluruh yang direka untuk masyarakat muda dan moden. Fasa Satu dengan Nilai Pembangunan Kasar (GDV) hampir RM190 juta yang telah dilancarkan pada suku ketiga tahun 2012, terdiri daripada pangsapuri servis dengan keluasan antara 533 hingga 1453 kaki persegi bagi unit asas dan 2524 hingga 2777 kaki persegi untuk duplexes dan penthouse. Ini akan ditempatkan di dalam dua blok menara 31 dan 27 tingkat dengan lot runcit, dek rekreasi aras podium bersama-sama dengan gimnasium langit dan sky lounge.

HARBOUR PLACE dengan bangganya melancarkan fasa keempat pembangunan yang dikenali sebagai WELLESLEY RESIDENCES pada bulan Julai 2011. Dengan GDV RM130 juta fasa ini menerima sambutan menggalakkan dengan minat yang ditunjukkan dari penduduk fasa awal kami. Dengan pilihan empat reka bentuk, WELLESLEY RESIDENCES melengkapi dan meningkatkan keperluan gaya hidup sihat keluarga bandar. Kondominium ini dilengkapi gimnasium langit, yoga dan zon aerobik, sauna dan bilik wap, jakuzi, zon urut, rumput terbuka dan kawasan landskap, sky lounge, zon permainan dan dek pandangan eksklusif. Sejajar dengan projek RM2 bilion Penang Sentral projek di Butterworth, WELLESLEY RESIDENCES terletak di tempat yang sangat berfaedah dan strategik. Lebih banyak berita baik yang akan datang dalam bentuk cadangan terowong dasar laut yang menghubungkan Tanjung Tokong di Pulau Pinang dan Bagan Ajam di Butterworth terletak tidak jauh dari lokasi.

Grow Homes, teres dua tingkat dan Melody Homes, teres setingkat di Parcel 10G, TAMAN PUTRI KULAI, Johor telah dilancarkan pada bulan November 2011. Rumah disasarkan untuk siap menjelang November 2013. MONT CALLISTA, pembangunan yang mewah kami di wilayah selatan terletak di puncak bukit dalam zon Iskandar Malaysia. Kawasan ini merupakan kawasan pembangunan pemangkin yang akan merangsang pertumbuhan di Johor dan memberikan peningkatan nilai harta. Parkvilla Signature, dua tingkat berkembar dari jualan terbaik siri Parkvilla, telah dilancarkan pada bulan November 2011 dengan 70% daripada unit yang dijual setakat ini. Quadro Homes, rumah kluster dua tingkat, peringkat terakhir MONT CALLISTA kini dibuka untuk pendaftaran dan telah dilancarkan pada suku ketiga tahun 2012.

Perkembangan hartanah semasa dan akan datang Kumpulan PJD menunjukkan komitmen kami untuk membina gaya hidup holistik persekitaran penuh untuk meningkatkan dan mengubah kualiti kehidupan pemilik rumah kami dan pada masa yang sama untuk menyediakan pelaburan nilai tinggi yang mampan kepada pembeli.

www.pjdprop.com.my

PEMBINAAN

Bahagian ini telah mencatatkan pertumbuhan yang sihat, kesan dari penjenamaan syarikat yang telah dikenali terutamanya di sektor bangunan kediaman. Bagi tahun kewangan dalam ulasan, Bahagian ini telah mendapat kontrak bernilai besar di negeri-negeri utama di Semenanjung Malaysia yang akan kami lalui sepanjang tahun 2013 dan seterusnya. Usaha gigih akan terus dibuat untuk penambahan tempahan semasa kami, dalam kedua-dua sektor swasta dan kerajaan.

Kami akan memberi penekanan dalam pelaksanaan yang tepat pada projek semasa kami dengan menumpukan lebih banyak sumber dan menggiatkan usaha untuk memastikan penyiapan projek berjalan lancar. Komitmen kami untuk meningkatkan kualiti dan penghantaran melalui peningkatan produktiviti dan pengurusan pembaziran yang lebih baik akan meningkatkan daya saing dalam industri.

Dengan ramalan peningkatan dalam jumlah aktiviti pembinaan di negara ini, Bahagian ini yakin mampu menyumbang secara positif kepada pendapatan masa depan kumpulan itu.

www.pjd.com.my

KABEL

Bahagian ini mencatatkan peningkatan sebanyak 19% dalam perolehan berbanding tahun kewangan sebelumnya. Sebahagian peningkatan ini adalah disebabkan oleh permintaan tempatan yang kukuh disokong oleh aktiviti pembinaan yang memberangsangkan di Malaysia. Operasi di Vietnam juga mencatatkan peningkatan dalam jualan sebagai jenama yang semakin diterima di pasaran tempatan walaupun dalam keadaan ekonomi yang sukar. Keuntungan operasi adalah rendah sedikit berbanding dengan tahun lepas, ini mencerminkan sifat daya saing industri.

Untuk tahun kewangan yang akan datang, kami menjangkakan tahun yang mencabar dengan melihat pengambilan tempahan yang lembab pada suku pertama, ditambah dengan kekurangan margin akibat persaingan yang ketat. Walaubagaimanapun, pihak Pengurusan berharap dapat menangani situasi dengan memperkenalkan produk baru dan pelbagai kedalam pasaran baru di negara jiran Asian.

Ulasan Operasi oleh Pengarah Urusan

Aktiviti semasa sektor pembinaan yang kukuh serta sektor minyak dan gas yang masih cergas akan memberikan permintaan yang kukuh kepada kabel.Tanpa menghadapi mana-mana kelembapan buruk dalam sektor-sektor ini, kami yakin untuk mengekalkan daya saing dan menyumbang secara positif kepada Kumpulan kami.

www.olympic-cable.com.my

BAHAN PEMBINAAN

Bahagian telah mencatatkan pertumbuhan sebanyak 37% dalam keuntungan sebelum cukai berbanding tahun kewangan yang lepas. Sebahagian besar peningkatan ini disebabkan oleh permintaan yang terus kukuh untuk tempahan tempatan dan luar negara ditambah dengan pengembangan kapasiti pengeluaran.

Kami mempunyai rangkaian pengedaran di seluruh negara diselenggara oleh pasukan jualan kami. Perkembangan dalam bidang ini dengan kawalan yang lebih baik mengenai produk yang diedarkan dan promosi bagi setiap kawasan, kami menjangkakan peningkatan margin dan jualan.

Bahagian ini yakin untuk menghadapi cabaran untuk tahun yang akan datang.

www.acotec.my

HOTEL & REKREASI

Bahagian Hotel sekali lagi telah mencatatkan pertumbuhan tahun demi tahun. Terdapat peningkatan dalam hasil kumpulan berbanding dengan tempoh yang sama tahun kewangan sebelumnya dan segmen yang kuat dari sektor pelancongan selesa masa pendek dan pertengahan. Ini adalah disebabkan oleh kemunculan syarikat penerbangan kos rendah dengan destinasi serantau baru yang ditawarkan.

Portfolio jenama Kumpulan itu telah diperluaskan dengan pengurusan Swiss-Garden Hotel Melaka yang terdiri daripada 306 bilik dijangka akan dibuka pada tahun 2014 . Penglibatan Kumpulan ke negeri bersejarah ini adalah tepat pada masanya kerana permintaan dan peluang pertumbuhan bagi hotel telah meningkat disana. Sebagai sebahagian strategi jenama kumpulan ini, Swiss-Inn Kuala Lumpur telah diubahsuai dan penjenamaan semula sebagai hotel Hip antarabangsa. Lobi, Petaling Café dan bilik telah diubahsuai untuk memenuhi perkembangan hospitaliti dan trend perjalanan. Kami mencapai kadar penginapan purata sebanyak 80% dan yakin bahawa trend akan terus berkembang untuk Swiss-Inn Kuala Lumpur.

Asia Tenggara telah menjadi hab destinasi pelancongan yang popular. Pada tahun 2011, Malaysia menerima ketibaan pelancong yang kesembilan tertinggi di dunia menjadikan ia sebagai destinasi pelancongan yang menarik. Trend pelancongan yang agak sihat adalah petanda baik bagi Bahagian Hotel dan kami yakin pertumbuhan dari tahun-ke-tahun.

www.swissgarden.com

Bagi tahun kewangan yang ditinjau, landskap ekonomi bertambah baik setelah dilihat Bahagian Timeshare telah keluar dari cabaran di tahun kewangan sebelumnya dengan prestasi yang lebih baik. Prestasi yang lebih kukuh disumbangkan kepada kekuatan pasukan jualan dan pemasaran kami dan tumpuan Bahagian untuk menyampaikan produk yang berkualiti. Kami telah meletakkan diri sebagai salah satu jenama terkemuka dalam industri Timeshare.

Melangkah ke hadapan, Bahagian ini melihat untuk membina saluran jualan baru, menumpukan tumpuan kepada segmen sasaran pasaran dan meningkatkan tahap perkhidmatan kami. Kami percaya bahawa strategi ini akan menggerakkan bahagian ini ke tahap yang baru di tahun kewangan yang akan datang.

www.sgivacationclub.com

Wong Ah Chew
Pengarah Urusan
17 Oktober 2012

董事主席报告

本人谨代表董事会，向各位汇报辟建发展控股有限公司(PJ Development Holdings Berhad)和集团，截至2012年6月30日为止的财政年度常年报告及经审核财务报告。

财务报告

本集团于受检讨的财政年度，取得6亿3千8百9十万令吉的总营业额，比上个财政年度所取得的5亿9千1百3十万令吉，高出8.1%。

回顾本财政年度，集团的税前盈利从上个财政年度同期的7千9百9十万令吉降低至6千9百万令吉，而截至2012年6月30日为止，本集团每股净资产为2令吉2仙。

股息

董事会已建议在截至2012年6月30日为止的财政年度，派发扣除所得税的5仙首期及终期股息，此建议有待股东批准。

展望

马来西亚经济在2011年取得超过5%的涨幅，这个良好表现和趋势将持续到2012年，尽管成长幅度略为降低。然而，全球经济成长有可能因为欧美经济危机及外来经济因素而使经济走势不明朗而受到削弱。

在考量到这些因素之下，本集团为了减轻挑战，将继续采取谨慎收购策略，实行撙节成本措施和作出明智的金融投资，以便加强我们的内部运作效能和系统。

本集团的房地产发展业务部，PJD品牌象征着我们所提倡的可靠、承诺与诚实核心价值。过去多年来，我们在马来西亚的发展计划，一直基于这些核心价值和准时及品质优良的原则，成功移交予产业买者。我们透过推行及遵循环境管理系统(EMS)，打造了我们在保护生态及绿建筑概念生活方式方面的品牌价值。我们的目标是将本身定位为一家对环境彻底负责，并致力于实现承诺及透过我们的顾客关怀管理(CCM)系统提供优质客户服务的“关联发展商”。

本集团的建筑业务部，即使面对充满挑战的商业环境，仍然因为更高的营业额带来的更强大的利润增长而得以保持业绩上的弹性。国内建筑业因国家经济转型计划所推行的计划而更加活跃，使到我们的前景更加看佳。

本集团的建材业务部，在公司终止了屋瓦业务后，而专注于墙板的生产和贸易活动。我们有信心，在下个财政年度，它的业务将随着许多建筑计划的展开而增长。

本集团的电缆业务部，成功透过提升工厂设备而加强效能后，将继续改善以期开发其他领域和市场。我们在越南的业务运作继续面对挑战，但是我们不断展开市场营销计划去增加在当地的销量，同时将产品打进邻近的亚洲国家。

在2011年，入境大马的旅客人数超过2千4百万名，而旅客总开销达到5百8十3亿令吉，比去年高出3.19%。全球经济趋势鼓励更多人到东南亚地区旅游。马来西亚成为国际旅游目的地的竞争力正日益加强，这个现象有利于对我们的酒店与休闲业务部。

展望未来，董事会对集团的业务保持信心，并认为集团可在未来的财政年度，继续取得令人满意的业绩。

鸣谢

本人谨代表董事会，向各位股东、尊贵的顾客、业务伙伴、银行和执法机构对我们作出的贡献与支持至衷心的感激。

同时本人也要赞扬我们的所有员工、管理层和董事会成员，充份发挥团队合作精神，对公司的业务全力以赴。

YM Ungku Haji Mohd Afandi bin Ungku Suleiman
董事主席
2012年10月17日

董事经理业务检讨

房地产发展

在受检讨的财政年度，房地产发展继续成为辟捷集团(PJD Group)的业务核心，为集团的总收入作出了29.0%的贡献。我们的房地产发展业务部推展了三个新的项目，即：吉隆坡的D'MAJESTIC，梳邦USJ的优旺城(YOU ONE)和关丹的SWISS-GARDEN RESORT RESIDENCES。同时在受检讨的财政年度推展的项目，也包括北海的首个时尚都会威乐轩(WELLESLEY RESIDENCES)，以及柔佛嘉丽台山庄(MONT CALLISTA)的半独立式房屋 Park Villas。预期集团的业绩将随着这些项目在未来的财政年度全面推展而改善。

在吉隆坡，我们的新地标 – 位于半山巴的D'MAJESTIC，经于2012年5月成功推展。这座20层高的新大楼具备5大卖点 - 位置优越、设计一流、最佳投资和信誉崇高的发展商，肯定吸引房屋买者的青睐。由于地点靠近吉隆坡著名地标如城中城KLCC、武吉免登中心、建议中的敦拉萨交通枢纽、新宜家(位于葛京发展范围内)、建议中的默迪卡遗产计划和未来的半山巴发展走廊，肯定为这项发展计划带来更多的'无比"设施与便利。这项发展计划一旦落成，亦由具备优秀酒店管理专门知识的瑞园国际Swiss-Garden International(SGI)负责管理。 此发展总值为1亿7千万令吉。

梳邦USJ的优旺城(YOU ONE)是梳邦地区的一项符合绿色建筑指标的新房屋发展计划。此计划透过环保概念，打造一座自成一格，与热带气候及城市生活融洽共存的高品质建筑物。其大蓝图将设计上匠心独运的家居空间，完美地与高档的设施和额外设施配合。由于地点位于轻快铁路线延长计划附近，因此交通会更加便捷。Residenz B在推展礼上售出约70%的单位，而一周后推展的Residenz A，亦获得不俗的反应。这些采用小办公室家居(SoHo)概念打造的房屋，预定在2012年第4季推介。 此发展总值为2亿1千5百万令吉。

提倡'生活方式转型 - 城中之城(Transforming Lifestyle – A City-Within-A-City)'概念的蕉赖优乐城(YOU CITY)，是一项享有永久地契的综合型发展计划，将兴建住宅区、休闲设施、商业和零售单位。地点位于预定于2016年建竣的MRT路线范围内的优乐城，房屋售价合理，却拥有为生活起居带来极大便利的设施，是年轻和现代家庭的理想家居。发展总值1亿9千万令吉，在2012年第3季推展的的第一期发展，在两座分别楼高31层及27层的大楼，兴建面积介于533至1453平方尺的标准型服务公寓；2524至2777平方尺的复合式房屋及阁楼单位。这两座大楼拥有零售商店和附设观景平台、顶楼健身室及休闲室。

大马半岛彭亨州关丹双溪加弄(Sungai Karang)的SWISS-GARDEN RESORT RESIDENCES于2011年10月推展后，获得本地和外国投资者的热烈回响。距离我们在关丹的瑞园度假村(Swiss-Garden Resort & Spa Kuantan)仅咫尺之遥的这个渡假村，将由我们的信誉着卓酒店管理及营运机构SGI负责管理。这个占地22英亩及拥有永地契的渡假村，命名为沙滩系列(Sand Series)的首期发展，包含公共服务公寓、城市别墅和商业亭。这个渡假村因具备水上乐园主题的特色而更具吸引力。Sand Series至今已售出70%的单位。此发展总值为9千2百万令吉。被冠以珊瑚系列(Coral Series)这个美丽名称，如今正处于策划阶段的次期发展，势必延续首期发展的成功。

2011年7月，我们位于北马槟城港(HARBOUR PLACE)荣誉呈献发展总值1亿3千万令吉的第四期共管公寓发展计划威乐轩(WELLESLEY RESIDENCES)，获得买者超乎热烈反应，其中大多数买者都是我们的早期购买者。威乐轩基于彰显城市家庭健康生活，并为买者提供四款设计。此共管公寓的齐全设施包括顶楼健身室、瑜珈及有氧运动设备、桑拿及蒸气室、水力按摩池、按摩设备、露天草地及园景、顶楼休闲室、游戏室和独特的观景平台。与耗资20亿令吉兴建的槟城北海中环计划相对的威乐轩，也很靠近建议中衔接槟城丹绒道光与北海峇眼亚占的海底隧道，可说位居要津。

2011年11月，我们在南马柔佛的公主城(TAMAN PUTRI KULAI)推出了Parcel 10G期的双层排屋Grow Homes和单层排屋Melody Homes。这些房屋预定在2013年11月竣工。我们也在南马的依斯干达区的山顶，推出了高档房屋发展计划嘉丽台山庄(MONT CALLISTA)。依斯干达区将引领柔佛州的发展，使当地产业价值节节挺升。我们于2011年11月推展的最畅销Parkvilla型双层半独立房屋，至今已售出70%的单位。嘉丽台山庄的最后一期房屋 - 双层复合式房屋Quadro Homes，如今已开放给潜在买者登记，并预期在2012年第四季推展。

辟捷集团(PJD Group)目前及未来的产业发展计划，反映了我们全力以赴打造全方位生活与休闲环境，提升和改变房屋拥有者的生活素质，同时为我们的产业买者带来永续高投资回酬。

www.pjdprop.com.my

建筑

建筑业务部的订单取得健康的成长，应归功予本业务部在房地产建筑领域的品牌形象提升了。在受检讨的财政年度，本业务部在大马半岛主要州属，取得了具体价值的建筑合同，足于使我们的业绩在2013年及以后继续成长。我们将继续不遗余力地在私人及政府领域取得更多建筑合同。

我们将着重于进一步运用资源及加倍努力，准时完成手上现有的工程，确保顺利在预定日期内竣工。我们决心提高生产力及更妥善管理建筑废料来改善品质和移交竣工计划，致力于提升我们在建筑界的竞争力。

由于预期国内建筑活动将有增无减，本业务部有信心为本集团未来的盈利作出正面的贡献。

www.pjd.com.my

电缆

我们的电缆业务部在受检讨的财政年度，取得了比上个财政年度高出19%的营业额。这应拜赐予强大的本地需求和大马的蓬勃建筑活动。随着我们的品牌在越南日益被接受，因此即使当地市场面对经济困境，但是我们的销量仍然取得增长。此业务部的营运利润比去年稍低，反映了电缆业的竞争性质。

在未来财政年度，我们预期将面对更大的挑战，皆因进度慢的订单和加上激烈的市场竞争和利润挤压，管理层希望推出新产品及开拓邻近亚洲国家市场，将减轻竞争情况。

电缆业和建筑业及石油和天然气领域是互相关联的。如果这些领域未出现任何不利因素，我们有信心能保持本身的竞争优势，为本集团作出正面的贡献。

www.olympic-cable.com.my

建材

本地及外国的需求量保持强大，加上我们提升了生产效能，我们的建材业务部在受检讨的财政年度，税前盈利增长率比上个财政年度高出37%。

我们在全国各地拥有由我们的销售团队提供服务的分销网络。透过扩展在此领域的业务和更佳管制各区域所分销的产品和促销活动，我们预期可提高盈利和销售额。

本业务部有信心可在未来克服所面对的挑战。

www.acotec.my

酒店与休闲

我们的酒店业务部，又取得增长亮眼的业绩。本集团的营业额在受检讨的财政年度，成长率高于上个财政年度。其中，增幅最高的是短途及中途休闲旅客。这拜赐予廉价航空公司推出新的区域旅游目的地优惠呈献、提供吸引人的促销收费率、网上订购服务和我们推展的策略性销售与市场计划。

随着接手管理拥有306间客房，并预定于2014年开张的马六甲瑞园酒店后，本集团的的品牌组合获得进一步加强。本集团这次进军马六甲古城正合乎时宜，因为旅客对当地酒店住宿的需求正在增加，这个领域的增长潜能看俏。配合本集团的其中一项品牌策略，吉隆坡瑞园酒店(Swiss-Inn Kuala Lumpur)已重新装修及重新打造品牌，使之成为一间国际潮流精品酒店。酒店大堂、Cafe Petaling咖啡餐厅和客房经过翻新后，更能迎合旅客的需求。这间酒店的客房入住率达到80%，我们相信其业务将会持续成长。

东南亚已经成为一个受旅客欢迎的旅游枢纽。2011年，大马接待的旅客人数为全球第九多，反映出大马是一个深受欢迎的旅游目的地。旅客人数增加的健康趋势对我们的酒店业务是有利的，而我们有信心会取得又一年的逐年增长。

www.swissgarden.com

在受检讨的财政年度，经济格局的改善，使我们的时光分享业务得以克服挑战，取得比上个财政年度。更佳的业绩。业务的增长，归功予我们的销售与市场团队加强了工作效率，并专注于推出优质产品。我们将本身定位为一家主要的时光分享品牌。

前瞻未来，本业务部将致力于打造新的销售管道，专注于特定的市场和提升我们的服务水平。我们相信这个策略可鞭策本业务部在未来的财政年度取得更佳的业绩。

www.sgivacationclub.com

Wong Ah Chiew
董事经理
2012年10月17日

Profile of Directors

YM Ungku Haji Mohd Afandi bin Ungku Suleiman
a Malaysian, aged 65

He joined the Board of Directors of the Company as an Independent Non-Executive Director on 26 December 1989. He was appointed as the Non–Executive Chairman of the Company on 26 August 2010.

He holds a Diploma in Business Studies and Advance Diploma in Commercial Management.

He was a Senior Government Officer in the Ministry of Housing and Local Government before leaving the public sector to venture into property development. He is currently a well-established property developer.

Currently, he is a member of the Audit Committee, Nominating Committee and Remuneration Committee of the Company.

He does not hold any securities in the Company.

YM Ungku Haji Mohd Afandi bin Ungku Suleiman is not a director of any other public listed company. He is not related to any Director or major shareholder of the Company nor have any conflict of interest with the Company.

He has no conviction for any offences within the past ten years.

Mr Wong Ah Chiew
a Malaysian, aged 64

He is the Managing Director of the Company and was appointed to the Board of Directors on 12 December 1997.

He holds a Bachelor of Science degree in Electrical Engineering from the University of Strathclyde, Scotland and worked as an Electrical Engineer with Perak River Hydro Electric Power Co. Ltd from 1 September 1973 to 31 August 1982.

Upon leaving public service, he was appointed to the Board of Directors of Dindings Consolidated Sdn. Bhd., a property development company with projects mainly in Kuala Lumpur and Perak Darul Ridzuan. He managed the marketing and administrative aspects of the housing and commercial projects undertaken by the group.

He has many years of experience in property development of residential and commercial projects, having previously held a managing director position in a public listed property development company.

He is also currently a Non-Executive Director of Willowglen MSC Berhad, a company involved in research, development and supply of computer-based control systems.

Mr Wong Ah Chiew is a member of several committees namely, the Executive Committee, Tender Committee and Corporate Announcement and Compliance Committee.

He is the brother of Mr Wong Chong Shee, the Deputy Managing Director of the Company. He is also the brother-in-law of Puan Sri Khor Chai Moi, an Executive Director and a major shareholder of the Company. He is the uncle of Mr Ong Ju Xing, an Executive Director of the Company.

He does not have any conflict of interest other than those disclosed under Other Information and Notes to Financial Statements of this Annual Report.

Mr Wong Ah Chiew has no conviction for any offences within the past ten years.

Mr Wong Chong Shee
a Malaysian, aged 57

He joined the Company in 1990 and was appointed Deputy Managing Director on 27 March 1993.

He graduated from the University of Glasgow with a Bachelor of Science degree in Civil Engineering and obtained a Master of Business Administration from the University of Edinburgh, United Kingdom.

Prior to joining the Company, he had a short stint as a manager of a timber-based manufacturing company before joining the banking industry as a manager with a local commercial bank.

He is currently a member of the Executive Committee, Tender Committee, Remuneration Committee and Corporate Announcement and Compliance Committee.

He does not hold any other directorship in other public listed companies.

Mr Wong Chong Shee is the brother of Mr Wong Ah Chiew, the Managing Director and major shareholder of the Company. He is also the brother-in-law of Puan Sri Khor Chai Moi, an Executive Director and major shareholder of the Company. He is the uncle of Mr Ong Ju Xing, an Executive Director of the Company.

He does not have any conflict of interest other than those disclosed under Other Information and Notes to Financial Statements of this Annual Report.

Mr Wong Chong Shee has no conviction for any offences within the past ten years.

Puan Sri Khor Chai Moi
a Malaysian, aged 60

She is the Executive Director of the Company and was appointed to the Board of Directors on 12 December 1997.

She holds a Bachelor of Business degree in Accounting from the University of South Queensland, Australia and a Master of Business Administration from the University of Hull, United Kingdom.

Puan Sri Khor Chai Moi has vast experience heading the Dindings Consolidated Group, actively involved in property development, trading and insurance services. She is also the Managing Director of Willowglen MSC Berhad, a company involved in research, development and supply of computer-based control systems.

She is a member of the Executive Committee and Risks Management Committee of the Company.

She is the sister-in-law of Mr Wong Ah Chiew, the Managing Director and major shareholder of the Company and of Mr Wong Chong Shee, the Deputy Managing Director of the Company. She is also the mother of Mr Ong Ju Xing, an Executive Director of the Company.

She does not have any conflict of interest other than those disclosed under Other Information and Notes to Financial Statements of this Annual Report.

Puan Sri Khor Chai Moi has no conviction for any offences within the past ten years.

Profile of Directors

Mr Yap Yoon Kong
a Malaysian, aged 55

He is the Executive Director of the Company and was appointed to the Board of Directors on 13 January 2006.

He holds a Bachelor of Accounting (Honours) degree from University Malaya and a Master of Business Administration from the Cranfield Institute of Technology, United Kingdom. He is a Chartered Accountant with the Malaysian Institute of Accountants and also a Senior Associate Member of the Institute of Bankers Malaysia.

He has vast experience in the field of banking, financial and management accounting, financial analysis, corporate affairs, budgeting and cashflow forecasting and tax planning. He has held positions as Financial Controller of other public listed companies and Deputy Manager of a large commerce banking group.

He is currently a member of the Executive Committee, Tender Committee, Corporate Announcement and Compliance Committee and Risks Management Committee.

Mr Yap Yoon Kong is not a director of any other public listed company.

He is not related to any Director or major shareholder of the Company nor have any conflict of interest other than those disclosed under Other Information and Notes to the Financial Statement of this Annual Report.

Mr Yap Yoon Kong has no conviction for any offences within the past ten years.

Mr Ong Ju Xing
a Malaysian, aged 27

He was appointed as an Executive Director of the Company on 3 October 2011.

He holds a Bachelor of Science degree in Business Management from the University of London, United Kingdom and a Master of Philosophy in Land Economy from the University of Cambridge, United Kingdom.

He has worked with multinational corporations across a variety of industries namely corporate restructuring with Ernst & Young, consumer banking with HSBC, investment banking with Credit Suisse and management consulting with Accenture.

He is a member of the Executive Committee of the Company.

He is the Director of the subsidiaries of OSK Property Holdings Berhad, an investment company with its subsidiaries involved in property development and management and sale of oil palm fresh fruit bunches.

Mr Ong is the nephew of Mr Wong Ah Chiew, the Managing Director and major shareholder of the Company and of Mr Wong Chong Shee, the Deputy Managing Director of the Company. He is also the son of Puan Sri Khor Chai Moi, an Executive Director of the Company.

He does not have any conflict of interest other than those disclosed under Other Information and Notes to Financial Statements of this Annual Report.

Mr Ong Ju Xing has no conviction for any offences within the past ten years.

Mr Au Chun Choong
a Malaysian, aged 60

He joined the Board of Directors of the Company on 30 December 1989 and is an Independent Non-Executive Director. He is a Fellow of the Association of Chartered Certified Accountants, an Associate Member of the Institute of Chartered Secretaries and Administrators, London, United Kingdom and a member of the Malaysian Institute of Accountants.

He has vast experience in tax and finance in public accounting firms.

He was attached to the Inland Revenue Department in Perak for several years. He left public service in 1980 and joined several public accounting firms as tax manager and financial consultant.

He is the Chairman of the Audit Committee and is also a member of the Nominating Committee, Remuneration Committee and Risks Management Committee of the Company.

He does not hold any securities in the Company.

Mr Au Chun Choong is a Non-Executive Director of Luxchem Corporation Berhad, an investment holding company with its subsidiaries involved in distribution of industrial chemicals and materials. He is not related to any Director or major shareholder of the Company nor have any conflict of interest with the Company.

Mr Au Chun Choong has no conviction for any offences within the past ten years.

Mr Loy Tuan Bee
a Malaysian, aged 58

He joined the Board of Directors of the Company on 18 November 2010 and is an Independent Non-Executive Director.

He is a Barrister-at-Law of the Lincoln's Inn and was called to the Malaysian Bar in 1981. He is currently in active practice as an advocate & solicitor as a partner at Cheang & Ariff. His law practices are in areas relating to corporate, property and commercial. He is currently a member of the Disciplinary Committee under the Disciplinary Board, Legal Profession Act, 1976.

Currently, he is a member of the Audit Committee of the Company.

He does not hold any securities in the Company.

Mr Loy Tuan Bee is not a director of any other public listed company. He is not related to any Director or major shareholder of the Company nor have any conflict of interest with the Company.

Mr Loy Tuan Bee has no conviction for any offences within the past ten years.

Audit Committee Report

Members

Au Chun Choong (Chairman & Independent Non-Executive Director)

YM Ungku Haji Mohd Afandi Bin Ungku Suleiman (Independent Non-Executive Director)

Loy Tuan Bee (Independent Non-Executive Director)

Secretaries

Leong Keng Yuen
Wong Tiew Kim

Composition and Meetings

The Audit Committee comprises three Independent Non-Executive Directors. The present three Independent Non-Executive Directors are financially literate and one of them is a member of the Malaysian Institute of Accountants.

The Audit Committee is governed by the Terms of Reference. All the requirements under the Terms of Reference have been fully complied with and the Audit Committee is not aware of any matter in breach of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

During the financial year, four meetings were held and details of attendance of each member are as follows:

Committee Members	Attendance
Au Chun Choong (Chairman)	4/4
YM Ungku Haji Mohd Afandi Bin Ungku Suleiman	4/4
Loy Tuan Bee	4/4

The General Manager – Group Finance and Accounts and the Chief Internal Auditor attended the meetings with the Company Secretary in attendance. During the financial year under review, two meetings were held with the Group's External Auditors and one meeting was held with the Chief Internal Auditor without the presence of the Executive Board members to brief the Audit Committee on any special issues arising from the annual audit of the Group.

Summary of Activities of the Committee During the Year

In line with the Terms of Reference of the Audit Committee, the Committee met four times during the financial year ended 30 June 2012. The activities of the Audit Committee for the financial year are summarized as follows:-

i) Reviewed with the External Auditors the audit plan, results of the audit, their evaluation of the system of internal control, the audit report and management letter, including the Management's response to the findings of the External Auditors.

ii) Reviewed the audit plan and scope of Internal Audit work including the authority, proficiency and adequacy of resources to carry out its function.

iii) Reviewed the internal audit reports, findings, recommendations and the Management's response.

iv) Reviewed all statutory financial statements and quarterly unaudited financial results prior to announcements to ensure the Group is in compliance with accounting standards and legal and regulatory requirements.

v) Reviewed the related party transactions entered into by the Group.

vi) Reviewed the adequacy of risk management process to identify significant risks that may materially affect the achievement of the Group's strategic business and operational objectives and that the control system is in place to monitor and manage these risks.

vii) At the meeting following the financial year end, reviewed the adequacy of the internal audit function for the year as well as assessed the performance of the internal audit function against the audit plan for the year.

viii) Met twice with the external auditors without the presence of the Executive Directors and Management where it was confirmed that full assistance was given by the employees and there was no restriction to the scope of audit.

Internal Audit Function

In compliance with Paragraph 30, Appendix 9C of the MMLR the Group has in place an Internal Audit Department headed by a Chief Internal Auditor and supported by two managers, five executives and an administration staff. The Internal Audit Department is responsible for the overall internal audit function of the Group. The Head of the Internal Audit Department reports directly to the Audit Committee. The costs incurred for the internal audit function totalled RM787,372 in respect of the financial year ended 30 June 2012.

The main role of the internal audit function is to review the effectiveness of the Group's system of internal control and this is performed with impartiality, proficiency and due professional care. Internal Audit adopts a risk based auditing approach by focusing on reviewing identified high risk areas for compliance with control policies and procedures, identifying business risk which have not been appropriately addressed and evaluating the adequacy and integrity of controls. Internal Audit assists the Audit Committee in discharging its duties and responsibilities with respect to the adequacy and integrity of the system of internal control within the Group.

During the year, the Internal Audit Department executed the audit engagements based on the approved Annual Audit Plan for the financial year ended 30 June 2012.The audit engagements encompassed twenty four planned audits and one unplanned assignment. The following activities were carried out during the year:-

- Conducted 24 planned audits of the Group's operating divisions including its subsidiaries by reviewing the division's business activities and processes to ensure compliance with internal control procedures, highlighting control weaknesses and proposing appropriate recommendations towards improving and strengthening of controls.

- Conducted an unplanned assignment to confirm correctness of selected Accounts Receivable balances in the Hotel Division.

- Conducted five audit follow up to monitor the implementation of audit recommendations accepted by the Management.

- Monitoring the effectiveness of the Group's risk management process and quarterly reporting of significant risks. Summarized the risks discussed in the quarterly Risk Management Committee's meetings for Audit Committee's review and comment.

- Conducted two risk management training workshops for the staff of the Hotel Division and a refresher course for the staff from the Property Division.

- Coordinated the submission of Recurrent Related Party Transactions from operating divisions concerned, reviewed them to ensure that they were within the mandated amount and prepared quarterly Recurrent Related Party Transactions report for the attention of the Audit Committee.

- Prepared the Audit Committee Report and Statement on Internal Control, for disclosure in the Group's Annual Report.

Audit reports, incorporating the audit findings, audit recommendations and management responses and action plans were presented to and reviewed by the Audit Committee.

Terms of Reference of the Audit Committee

Objectives

The principal objective of the Committee is to assist the Board of Directors in fulfilling its fiduciary responsibilities. This shall include:

- To oversee financial reporting that specified financial standards and Bursa Securities disclosure requirements have been complied with.

- To assist the Board in establishing and maintaining cost effective internal controls, proper risk management and good corporate governance.

- To assess and supervise the quality of audits conducted by the internal and external auditors.

- To assure the independence of the external auditors.

- To reinforce the objectivity of the internal audit department.

- To be the focal point for communication between the external auditors, internal auditors, Management and Directors who have no significant relationships with Management.

- To carry out any other duties delegated to the Committee by the Board.

Size and Composition

The Committee shall comprise at least three Non-Executive Directors, the majority of whom shall be Independent Directors of the holding company and any of its subsidiaries, and free from any relationships, which might in the opinion of the Board of Directors be construed as a conflict of interest.

All members shall be financially literate and at least one of the Non-Executive and Independent Directors of the Committee must be a member of an accounting association or body.

Chairman of the Audit Committee

The Committee shall elect a Chairman from among its members who shall be a Non-Executive and an Independent Director.

In the event the elected Chairman is not able to attend a meeting, a member of the Committee shall be nominated as Chairman for the meeting. The nominated Chairman shall be a Non-Executive and an Independent Director.

Meetings of the Audit Committee

- **Frequency**

  Meetings shall be held not less than four times a year. In addition, the Chairman shall call for a meeting of the Committee if requested to do so by any member of the Committee, the Board of Directors, the Senior Management or the internal or external auditors. Prior notice shall be given for the Committee's meetings.

- **Quorum**

  A minimum of two members shall form the quorum.

- **Secretary of the Audit Committee**

  The Company Secretary shall be the secretary of the Committee and shall be responsible for issuing the agenda with the concurrence of the Chairman and circulating it, supported with explanatory documentation to Committee members prior to each meeting.

  The secretary shall also be responsible for keeping the minutes of meetings of the Committee, circulating them to Committee members and to the other members of the Board of Directors and for following up on outstanding matters.

  The secretary shall keep the minutes of meetings properly filed and shall produce the minutes of meetings for inspection when necessary.

Attendance of Audit Committee's Meetings

The General Manager-Group Finance and Accounts, the Chief Internal Auditor, and a representative of the external auditors may attend any particular meeting only at the Committee's invitation. The Committee may also invite any other employees to attend the meeting to assist in its deliberations.

The Committee shall meet with the external auditors at least twice a year without any executive board member present.

Authority of the Audit Committee

The Committee shall:

i) have authority to investigate any matter within its Terms of Reference,

ii) have unlimited access to both the internal and external auditors, as well as the employees of the Group to perform its duties,

iii) have full and unrestricted access to any information pertaining to the Company and its subsidiaries,

iv) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity,

v) be able to obtain independent legal or other professional advice as it considers necessary, and

vi) be able to convene meetings with the external auditors whenever deemed necessary.

Audit Committee Report

Duties and Responsibilities

Without limiting the generality of the Committee's Terms of Reference, the Committee shall, amongst others, discharge the following functions:-

i) Review the following and report the same to the Board of Directors of the Company and its subsidiaries;

a) the audit plan with the external auditors and ensure coordination where more than one audit firm is involved,

b) evaluation of the system of internal control with the external auditors,

c) audit report with the external auditors,

d) the assistance given by the employees to the external auditors,

e) review the external auditor's management letter and management's response,

f) the adequacy of the scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work,

g) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function,

h) review any appraisal or assessment of the performance of members of the internal audit function and take cognizance of resignations of internal audit staff members,

i) the quarterly results, annual and consolidated financial statements prior to the approval by the Board of Directors focusing particularly on:-

- changes in or implementation of major accounting policy and practices,
- the going concern assumption,
- significant adjustments arising from the audit,
- major judgmental issues,
- significant and unusual events, and
- compliance with accounting standards and other legal requirements

j) any related party transactions and conflict of interest situation that may arise within the Company and its subsidiaries or Group including any transactions, procedure or code of conduct that raises questions of management integrity,

k) any letter of resignation from the external auditors of the Company and its subsidiaries,

l) whether there is reason (supported by grounds) to believe that the Company's and subsidiaries' external auditor is not suitable for re-appointment,

ii) Consider and recommend the nomination and appointment of external auditors, as well as the audit fee.

iii) Consider the major findings of internal investigations and management's response; and

iv) Consider other duties delegated by the Board.

Audit Committee Report

The Committee shall report to the Board of Directors either formally in writing, or verbally, as it considers appropriate on the matters within its Terms of Reference at least once a year, but more frequently if it so wishes.

The Committee shall report to the Board of Directors on any specific matters referred to it for investigation and report.

An Audit Committee report shall be prepared at the end of each financial year that complies with sub paragraphs i) and ii) below:

i) the Committee's report must be clearly set out in the Annual Report of the Company and its subsidiaries

ii) the Committee's report shall include the following:-

  a) the composition of the Committee, including the name, designation (indicating the Chairman) and directorship of the members (indicating whether the directors are independent or otherwise),

  b) the Terms of Reference of the Committee,

  c) the number of Committee meetings held during the financial year and details of attendance of each Committee member,

  d) a summary of the activities of the Committee in the discharge of its functions and duties for that financial year, and

  e) existence of an internal audit function or activity and where there is such a function or activity, a summary of the activities of the function or activity. Where such a function or activity does not exist, an explanation of the mechanisms that exist to enable the Committee to discharge its functions effectively.

Reporting of Breaches to Bursa Securities

Where the Audit Committee is of the view that a matter reported by it to the Board of Directors has not been satisfactorily resolved resulting in a breach of the MMLR, the Audit Committee must promptly report such matter to Bursa Securities.

Retirement or Resignation

In the event of any vacancy in the Audit Committee, resulting in the non-compliance of Paragraphs 15.09 (1) (a) of the MMLR, the Company must fill the vacancy within three months.

Review of the Audit Committee

The Board of Directors shall review the terms of office and performance of the Audit Committee annually to determine whether the Audit Committee has carried out its duties in accordance with its Terms of Reference.

Corporate Governance Statement

The Board of Directors is committed in fulfilling management accountability, achieving management transparency and pursuing high business ethics in order to continuously strengthen corporate governance.

The Group's corporate governance practices are guided by its Vision and Mission statements framework and a set of core values to guide our people in the conduct and management of the business and operations of the Group.

The Group envisage to observe the principles set out in the Malaysian Code on Corporate Governance 2012 where and when applicable, to enhance board effectiveness and corporate disclosure policies.

1. BOARD OF DIRECTORS

1.1 Board Responsibilities

The Board of Directors ("Board") plays a pivotal role in establishing vision objectives, providing strategic direction, formulating policies and enhancing resources for the Company and of the Group.

Having recognized the importance of an effective and dynamic Board, the Board is charged with the development of corporate objectives and the review and approval of corporate plans, annual budgets, acquisitions and disposals of major assets, major investments and changes to the management and control structure within the Group including risk management, delegation of authority and financial and operational policies and procedures.

1.2 Board Balance

The Board comprises eight members of whom five are Executive Directors and three are Independent Non-Executive Directors.

The current number of Non-Executive Directors on the Board is in compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") which requires one third of the Board members to comprise independent members.

In the opinion of the Board, the appointment of a senior Independent Non-Executive Director to whom concerns may be conveyed is not necessary. The Board operates in an open environment in which information is freely exchanged and in these circumstances any concern need not be focused on a single director as all members of the Board fulfill this role collectively.

The Independent Directors provide unbiased views and impartiality to the Board's discussion and decision making and are satisfied that the interests of all shareholders are fairly represented at Board deliberations.

The profile of the Board is set out under Profile of Directors of this Annual Report.

1.3 Board Meetings

The Board meets regularly on a quarterly basis, with additional meetings convened as necessary. Meetings are scheduled at the start of each year to enable Board members to plan their schedules accordingly. Any Director can call for a Board meeting, provided sufficient notice is given. Notice of Board meetings with an agenda and full Board papers for each agenda item to be discussed would be distributed to all Directors for timely and accurate information prior to the meeting.

At each meeting, the Board considers the financial statements and results of the Group for the period ended for each quarter, the performance of the business of the Group, capital expenditure items, new business development proposals, policies and strategic issues affecting the Group's business and factors imposing potential risks in the business of the Group.

During the financial year ended 30 June 2012, four Board meetings were held and the summary of the attendance of each director is as follows:

Executive Directors	Attendance
Wong Ah Chiew	4/4
Wong Chong Shee	4/4
Puan Sri Khor Chai Moi	4/4
Yap Yoon Kong	3/4
Ong Ju Xing (appointed on 3 October 2011)	3/3

Non-Executive Directors	Attendance
YM Ungku Haji Mohd Afandi bin Ungku Suleiman	4/4
Au Chun Choong	4/4
Loy Tuan Bee	4/4

1.4 Board Committees

The Board has established various committees, authorized with specific Terms of Reference to support and assist the Board in discharging its fiduciary responsibilities. These committees comprise a mix of directors and senior management who will analyse and deliberate relevant issues and recommend to the Board for approval.

Executive Committee

The Executive Directors of the Company form the Executive Committee with authority to act on behalf of the Board. The Committee's primary objective is to assist the Board in managing the business, operations and financial aspects of the Company and Group, including corporate plans and annual budgets, capital investments, project and business development, internal controls and changes in Group's policies and procedures and recommend relevant issues to the Board for noting, deliberation and approval.

The Executive Committee meets regularly on a monthly basis to discuss and deliberate on operational issues, capital expenditure purchases, business proposals and review financial, accounting and taxation matters.

Mr Ong Ju Xing was appointed to the Executive Committee on 3 October 2011.

Audit Committee

The composition of the Audit Committee, its role and its Terms of Reference and attendance of each member during the financial year is set out in the Audit Committee Report of this Annual Report.

If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below the minimum three, the Board shall within three months appoint such number of new members as may be required to make up this minimum number in compliance with the MMLR.

Nominating Committee

The Nominating Committee comprises two Independent Non-Executive Directors, namely YM Ungku Haji Mohd Afandi bin Ungku Suleiman and Mr Au Chun Choong.

The primary function of the Nominating Committee is to propose new nominees for the Board. During the year under review, the Nominating Committee recommended Mr Ong Ju Xing to be appointed as an Executive Director of the Company.

The Committee also conducts assessment of the effectiveness of the Board as a whole, the contribution of each Director and of the Board Committees. The Nominating Committee conducted evaluations on the Board of Directors and Board Committees, namely the Executive Committee, Remuneration Committee, Corporate Announcement & Compliance Committee, Tender Committee and Risks Management Committee. The comments and self assessments by the Board of Directors and Board Committees and their respective contribution and mix of management skills were duly noted and tabled to the Board of Directors.

Remuneration Committee

Two Independent Non-Executive Directors and one Executive Director sit on this Committee, namely Mr Au Chun Choong, YM Ungku Haji Mohd Afandi bin Ungku Suleiman and Mr Wong Chong Shee.

The Committee recommends to the Board, the directors' fees of the executive directors and their remuneration package taking into consideration the level of their respective responsibilities and contributions and the Group's performance during the financial year under review.

Tender Committee

The members of this Committee, comprising three Executive Directors and a corporate management officer meet regularly to ensure the tendering processes are fairly and properly conducted. The Committee also assesses the recommended supplier for capital expenditure purchases by the various divisions approved by the Executive Committee.

Corporate Announcement and Compliance Committee

The Corporate Announcement and Compliance Committee comprise five members, of whom three are Executive Directors and two are corporate management officers. The Committee is authorized to propose, review and recommend all required corporate announcements and recommend, approve and implement action plans to ensure compliance with the MMLR.

The members are regularly updated with the amendments of the Companies Act and regulators' guidelines and regulations and attended seminars and briefings conducted by relevant regulatory bodies.

Risks Management Committee

The Risks Management Committee comprises three Directors of whom at least one is an Independent Non-Executive Director and at least two are corporate management officers. This Committee meets on a quarterly basis to review the adequacy of risks management process in the Group.

1.5 Directors' Training

The Directors acknowledge the importance of enhancing their skills in their expertise field and keeping abreast of amendments in the regulatory guidelines and changes in the business environment. Circulars and letters relating to updates and amendments to the relevant laws and regulations issued by the Securities Commission and Bursa Malaysia Berhad are disseminated to the Board for their information.

Mr Ong Ju Xing who was appointed to the Board on 3 October 2011 complied and have attended the Mandatory Accreditation Program prescribed by MMLR.

During the year, the Directors have individually or collectively attended the following training programs, seminars and forums -

* DNA of a Winning Mindset by Philip Tan, CMA Corporate Training

* Improving Your Organisation's Bottomline Through Leadership Driven High Performance by Nick Randal, Knowledge Group of Companies

* Zero Carbon Township Concept to Developers by Royal Danish Embassy & IEN Consultants

* Chief Executive Conference 2012 – Investor Relations – It's All About Building Trust by SI Portal.com Sdn Bhd & Malaysia Investors Relations Association

* Essentials of Structured Warrants & ETFs by OSK Investment Bank Berhad

* Managing Risks in Investment Bank by OSK Investment Bank Berhad

* An Overview of the Domestic Bond Market by OSK Investment Bank Berhad

* Role of the Audit Committee in Assuring Audit Quality by Bursa Malaysia Berhad

* Forbes Global CEO Conference 2012 by Forbes

* Comprehensive Overview of Standards by Malaysian Accounting Standards Board

* Advocacy Sessions on Disclosure for CEOs and CFOs by Bursa Malaysia Berhad

1.6 Supply Of Information

The Board has unrestricted access to all relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters prior to Board meetings and receives regular information updates on the Company's performance and regulatory amendments.

The Directors have direct access to the Senior Management for information and assistance and the advice and services of the Company Secretaries. Independent professional advice is also made available to the Directors in the event such services are required.

The Directors, from time to time, go on field visits to the Group's various sites, projects and factories for inspection and updates on the progress of operations.

1.7 Appointment and Re-election of Directors

In accordance with the Company's Articles of Association, one-third or the number nearest one-third of the Directors, including the Managing Director, shall retire from office at least once in three years but shall be eligible for re-election. Directors who are appointed during the year shall retire at the next Annual General Meeting of the Company and shall be eligible for re-election.

Directors who are standing for re-election at the next Annual General Meeting of the Company are as set out under the Statement Accompanying Notice of Annual General Meeting of this Annual Report.

2. Directors' Remuneration

The remuneration package of the Non-Executive Directors including directors' fees is determined by the Board as a whole. The Independent Non-Executive Directors are paid a meeting allowance for attendance at each Board meeting.

The remuneration package of the Directors for the financial year ended 30 June 2012 are as follows:

i) **Aggregate Remuneration**

Remuneration	Executive Directors (RM)	Non-Executive Directors (RM)	Total (RM)
Fees	60,000	45,000	105,000
Directors' salary, other Emoluments and Benefits	5,959,457	-	5,959,457
Allowances	-	3,600	3,600

ii) **Analysis of Remuneration**

Range of Remuneration	No. of Directors Executive	No. of Directors Non-Executive
< RM50,000	-	3
RM150,000 – RM200,000	1	-
RM550,000 – RM600,000	1	-
RM1,150,000 – RM1,200,000	1	-
RM1,900,000 – RM1,950,000	1	-
RM2,150,000 – RM2,200,000	1	-

3. SHAREHOLDERS

3.1 Communication

The Board of Directors acknowledges the importance of keeping shareholders and investors informed of developments concerning the Group. The Group reaches out to our shareholders and investors through clear, comprehensive and timely release of annual reports, quarterly results, circular to shareholders and any announcements of corporate exercises to Bursa Securities.

Members of the media are invited to the Group's general meetings, major events, property and product launches for the general public awareness of the Group's activities and operations. Interviews are also sometimes held with research analysts and institutional fund managers upon request.

The Company, subsidiary companies and divisions in the Group have set up websites and email for shareholders and the public to access corporate information, news and events related to the Group, as well as to direct their feedback to the Company. Such feedback will be channeled to the respective division Heads for response and comments if relevant and appropriate. While the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is also mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

Our corporate website is at www.pjd.com.my
Our investors relations feedback email address is at ir@pjd.com.my

3.2 General Meetings

The Annual General Meeting ("AGM") of the Company represents the forum for communication and dialogue with the shareholders. Members of the Board are present to answer and give clarifications to questions raised by the shareholders. The External Auditors are invited to the AGM to provide their professional and independent clarification on issues and concerns on the financial statements of the Company and the Group, if necessary.

Extraordinary General Meetings ("EGM") are convened as and when required. Items of special business in nature are included in the notice of the AGM or EGM, accompanied by an explanation of the effects of the proposed resolution. Members of the Press are invited to a press conference immediately after the meeting to facilitate press release of the Group's financial performance and operations.

Additionally, a press conference may be held immediately following the AGM or EGM where the Directors and Senior Management will brief the Press of the resolutions passed and answer questions on the businesses and activities of the Group.

4. ACCOUNTABILITY AND AUDIT

4.1 Financial Reporting

The Board ensures the Group's annual financial statements and quarterly financial results comply with applicable accounting standards, the provisions of the Companies Act 1965 and the MMLR with the aim to present a balanced and understandable assessment of the Group's financial position and prospects. The Audit Committee assists the Board to review the information disclosed to ensure its accuracy and adequacy.

The Directors are also responsible for safeguarding the assets of the Group and have taken reasonable steps in the prevention and detection of fraud and other irregularities.

4.2 Internal Control

The Board has overall responsibility for the Group's system of internal control and risk management and for reviewing its adequacy and integrity.

The information on the Group's internal control is presented in the Statement on Internal Control of this Annual Report.

4.3 Relationship with Auditors

The Audit Committee has established a transparent and appropriate relationship with the Company's external auditors and internal auditors.

The external auditors, internal auditors, Executive Directors and Senior Management are invited for meetings to brief the Audit Committee on the audit plans and internal audit reports and external audit findings arising from the annual audit of the Group. The Audit Committee also meets with the external auditors at least twice yearly or whenever deemed necessary without the presence of the executive directors and senior management.

Statement on Internal Control

1. Introduction

The Board is committed to maintaining a sound system of internal control to safeguard shareholders' investment and the Group's assets. The Board is pleased to provide the following Statement on Internal Control made in compliance with Paragraph 15.26 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Statement on Internal Control Guidance for Directors of Public Listed Companies, which outlines the nature and scope of internal control of the Group during the year under review.

2. Board Responsibility

The Board recognises the importance of a sound system of internal control and risk management practices for good corporate governance. The Board acknowledges its responsibility for the Group's system of internal control and risk management, and for reviewing the adequacy and integrity of those systems on a regular basis. However, it should be noted that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. As such, they can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established an organisational structure with clearly defined lines of accountability and delegated authority. The Audit Committee's responsibilities include the work of monitoring all internal controls on its behalf with the assistance of the Group Internal Audit Department.

3. Key Elements of Internal Control Systems

3.1 Risk Management

The Board through the Audit Committee has established a Risks Management Committee (RMC). The Committee comprises three Directors and two senior managers whilst at the operations level, Risks Management Units are established, led by the respective Head of each business division. The RMC oversees the risks concerning the business and operations to ensure that the respective business divisions have properly identified, evaluated, monitored and effectively managed their risks that may materially affect the achievement of their strategic business and operational objectives for the financial year under review. Significant risks are then reported to the Audit Committee.

RMC meets quarterly. RMC ensures:

- Any emerging significant divisional risks are communicated to the Audit Committee
- Key risks are prioritised in terms of likelihood of occurrence and magnitude of impact
- The risk management process is reviewed, revised and updated as necessary.

Risk awareness training is an essential part of the Group's internal training for its executives.

3.2 Internal Audit

The Group Internal Audit Department examines the effectiveness of the Group's system of internal control, risk management process and compliance framework. It performs regular reviews of key business processes and also conducts audit visits to the key business units of the Group according to the Annual Internal Audit Plan approved by the Audit Committee. Besides this, the Group Internal Audit also carries out follow up audits. Ad hoc reviews like special management reviews as requested by Management, fraud investigation and other reviews may also be conducted by Group Internal Audit Department within its approved mandate.

The Audit Committee reviews reports on all audits performed, is briefed by the Chief Internal Auditor on a quarterly basis on the audit activities carried out and ensures Management takes prompt and adequate corrective actions on the reported weaknesses and non-compliances identified in the audit.

4. Control Structure and Environment

The Board is committed to maintaining a strong control structure and environment for the proper conduct of the Group's business operations.

The Group's System of Internal Control also comprises the following key elements:-

- The full Board meets at least quarterly and has set a schedule of matters which is required to be brought to its attention for discussion, thus ensuring that it maintains full and effective supervision over the Group's activities.

- A management structure exists with formally defined lines of accountability and appropriate approving authority, which sets out the decisions that need to be taken at various levels of management, which include matters that require the Board's approval. These include the establishment of various committees highlighted in the Corporate Governance Statement.

- The Group performs comprehensive annual budgeting and target setting processes including development of business strategies for each area of business with detailed reviews at all levels of operation.

- Management Committees have been established for the respective divisions and are guided by Terms of Reference to meet and review operational, business development and financial performance on a monthly basis. The proceedings of these meetings are minuted for further action and reference.

- Quarterly Business Performance Review is held between the Executive Committee and Senior Management of the respective businesses to critically review the business performances against the budget, to assess opportunities and to approve business strategies identified by the Management.

- Proper financial and operational information systems are in place to capture and present timely and pertinent internal business information. Clear reporting structure ensures financial and operational reports are prepared and presented to the Management and the Board for review on a timely basis.

- Policies, procedures and guidelines are in place to guide staff. They are updated as and when necessary to meet the continually changing operational needs.

- Human Resources practices ensure high recruitment standard for new employees with emphasis on integrity and competence. Employees' training and development programs are conducted at all levels of employees to enhance their work quality, ability, safety and competencies to achieve the Group's objectives.

- All significant expenditure of capital, operational and investment nature are properly evaluated and approved by the Executive Committee. Post implementation reviews on these expenditures are conducted by the Management and reported to this Committee.

- Tender Committee has been established to award contract works and for purchase of major capital items for operational needs. The composition of this Committee is mentioned in the Corporate Governance Statement.

5. Conclusion

The Board is pleased to report that the state of the Group's system of internal control and risk management are adequate and effective and are able to meet the Group's objective to ensure good corporate governance. There was no material control failure or weakness that would have a material adverse effect on the results of the Group for the period under review.

Financial Statements

Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2012.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, property investment and provision of management services to the subsidiaries. The principal activities of the subsidiaries are set out in Note 10 to the financial statements. There have been no significant changes in the nature of these activities during the financial year other than the commencement of cultivation of oil palm activity by a subsidiary.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	52,067	5,882
Attributable to:		
Owners of the parent	52,282	5,882
Non-controlling interests	(215)	-
	52,067	5,882

DIVIDENDS

Since the end of the previous financial year, the Company paid a first and final dividend of 5 sen per ordinary share, less tax of 25%, amounting to RM17,087,000 in respect of the financial year ended 30 June 2011 on 11 January 2012.

The Directors propose a first and final dividend of 5 sen per ordinary share, less tax of 25%, amounting to RM17,087,000 in respect of the financial year ended 30 June 2012, subject to the approval of members at the forthcoming Annual General Meeting.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

SHARES REPURCHASED

No share was repurchased from the open market by the Company during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company apart from the Warrants C.

Warrants C

A total of 213,811,972 2010/2020 Warrants C were issued on 6 December 2010 pursuant to the completion of the following corporate exercises:

(a) the renounceable rights issue of 171,049,635 new warrants in the Company ('Warrant(s) C') to all the shareholders of the Company on the basis of three (3) Warrants C for every eight (8) existing ordinary shares of RM1.00 each held on 10 November 2010 at an issue price of RM0.02 per Warrant C; and

(b) the restricted issue of 42,762,337 Warrants C in the Company to the holders of unexercised 2000/2010 Warrants B on 29 October 2010, being the expiry date of Warrants B ('Expiry Date') on the basis of three (3) Warrants C for every eight (8) unexercised 2000/2010 Warrants B held on the Expiry Date at an issue price of RM0.02 per Warrant C.

The exercise price of each Warrant C shall be RM1.00 per ordinary share or such adjusted price as may for the time being be applicable subject to the Deed Poll dated 20 October 2010. The exercise period shall commence from the date of issue of the Warrants and will expire on 5 December 2020 at 5.00 p.m..

As at 30 June 2012, 213,811,972 Warrants C have yet to be converted to ordinary shares.

DIRECTORS

The Directors who have held office since the date of the last report are:

YM Ungku Haji Mohd. Afandi bin Ungku Suleiman
Wong Ah Chiew
Wong Chong Shee
Puan Sri Khor Chai Moi
Yap Yoon Kong
Au Chun Choong
Loy Tuan Bee
Ong Ju Xing

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in shares and warrants of the Company and shares of its related corporations during the financial year ended 30 June 2012 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 were as follows:

	Number of ordinary shares of RM1.00 each			
	Balance as at 1.7.2011/date of appointment	**Bought**	**Sold**	**Balance as at 30.6.2012**
Shares in the Company				
Direct interests:				
Wong Ah Chiew	2,376,000	-	-	**2,376,000**
Wong Chong Shee	3,300,000	234,000	-	**3,534,000**
Puan Sri Khor Chai Moi	28,440,166	-	-	**28,440,166**
Ong Ju Xing	20,000	-	-	**20,000**
Indirect interests:				
Wong Ah Chiew *	94,097,681	-	-	**94,097,681**
Puan Sri Khor Chai Moi **	107,841,841	-	-	**107,841,841**
Yap Yoon Kong ***	520,000	130,000	-	**650,000**

	Number of Warrants C			
	Balance as at 1.7.2011/date of appointment	**Bought**	**Sold**	**Balance as at 30.6.2012**
Warrants C in the Company				
Direct interests:				
Wong Ah Chiew	1,046,300	-	-	**1,046,300**
Puan Sri Khor Chai Moi	15,888,100	-	-	**15,888,100**
Indirect interests:				
Wong Ah Chiew *	50,629,900	-	-	**50,629,900**
Puan Sri Khor Chai Moi **	57,421,100	-	-	**57,421,100**

* By virtue of shares/warrants held by Dindings Consolidated Sdn. Bhd., Elegant Preference Sdn. Bhd., Jian Qi Holdings Sdn. Bhd. and through nominees.

** By virtue of shares/warrants held by Dindings Consolidated Sdn. Bhd., Ladang Setia Sdn. Bhd., Land Management Sdn. Bhd., family members and through nominees.

*** By virtue of shares held by a family member.

By virtue of their interests in the shares of the Company, Wong Ah Chiew and Puan Sri Khor Chai Moi are also deemed to be interested in the shares of the subsidiaries to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year held any interest in the shares and warrants of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except for any benefit which may be deemed to have arisen by virtue of those transactions as disclosed in Note 34 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for Warrants C issued pursuant to the corporate exercises as mentioned above.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the income statements, statements of 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 had 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 book values in the ordinary course of business had been written down to their estimated realisable values.

(b) In the opinion of the Directors, except for the gain on disposal of other investments as disclosed in Note 29 to the financial statements, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

(c) The Directors are not aware of any circumstances:

(i) which would render the amounts 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 material extent; and

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

(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.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (continued)

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT (continued)

(d) In the opinion of the Directors:

(i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and

(ii) 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 year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 2 February 2012, a subsidiary, DLHA Management Services Sdn. Bhd. acquired 50% of the issued and paid-up ordinary share capital of Scotia Acres Sdn. Bhd., a company incorporated in Malaysia engaged in property investment, for a cash consideration of RM1.

AUDITORS

The auditors, BDO, have expressed their willingness to continue in office.

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

Wong Ah Chiew
Director

Wong Chong Shee
Director

Kuala Lumpur
17 October 2012

Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 56 to 159 have been drawn up in accordance with applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2012 and of their financial performance and cash flows for the financial year then ended.

On behalf of the Board,

Wong Ah Chiew
Director

Wong Chong Shee
Director

Kuala Lumpur
17 October 2012

Statutory Declaration

I, **Yap Yoon Kong**, being the Director primarily responsible for the financial management of PJ Development Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 56 to 159 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 abovenamed at Kuala Lumpur in the Federal Territory on 17 October 2012.

Yap Yoon Kong

Before me:

Dr. T. Yokheswarem (W540)
Commissioner for Oaths
Kuala Lumpur, Malaysia

Independent Auditors' Report

to the members of PJ DEVELOPMENT HOLDINGS BERHAD

Report on the Financial Statements

We have audited the financial statements of PJ Development Holdings Berhad, which comprise the statements of financial position as at 30 June 2012 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 56 to 158.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2012 and of their financial performance and cash flows for the financial year then ended.

Independent Auditors' Report
to the members of PJ DEVELOPMENT HOLDINGS BERHAD

Report on Other Legal and Regulatory Requirements

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

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 10 to the financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purpose of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

The supplementary information set out in Note 39 to the financial statements is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ('MIA Guidance') and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

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

BDO
AF : 0206
Chartered Accountants

Lim Seng Siew
2894/08/13 (J)
Chartered Accountant

Kuala Lumpur
17 October 2012

Statements of Financial Position
as at 30 June 2012

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	**478,061**	440,225	**477**	575
Biological assets	7	**6,126**	-	**-**	-
Intangible assets	8	**4,568**	4,568	**-**	-
Investment properties	9	**147,381**	151,078	**-**	-
Investments in subsidiaries	10	**-**	-	**532,019**	521,526
Investments in associates	11	**53,495**	53,003	**-**	-
Investment in a jointly controlled entity	12	**1,228**	-	**-**	-
Other investments	13	**34,532**	63,244	**-**	-
Land held for property development	14	**145,128**	166,896	**-**	-
Deferred tax assets	15	**4,668**	5,333	**-**	-
Trade and other receivables	16	**32,763**	21,774	**-**	-
		907,950	906,121	**532,496**	522,101
Current assets					
Property development costs	17	**218,891**	159,824	**-**	-
Inventories	18	**35,414**	41,455	**-**	-
Trade and other receivables	16	**240,524**	224,281	**185,931**	193,048
Current tax assets		**13,312**	11,283	**7,649**	5,385
Cash and cash equivalents	19	**95,605**	69,290	**823**	516
		603,746	506,133	**194,403**	198,949
TOTAL ASSETS		**1,511,696**	1,412,254	**726,899**	721,050
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	20	**456,134**	456,134	**456,134**	456,134
Treasury shares	20	**(266)**	(266)	**(266)**	(266)
Reserves	21	**464,475**	438,706	**100,740**	111,945
		920,343	894,574	**556,608**	567,813
Non-controlling interests		**(1,673)**	(1,648)	**-**	-
TOTAL EQUITY		**918,670**	892,926	**556,608**	567,813

Statements of Financial Position
as at 30 June 2012

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
LIABILITIES					
Non-current liabilities					
Trade and other payables	22	**6,382**	6,854	**-**	-
Borrowings	23	**230,922**	200,327	**368**	3,747
Deferred income	24	**39,996**	38,140	**-**	-
Deferred tax liabilities	15	**26,742**	22,795	**-**	-
		304,042	268,116	**368**	3,747
Current liabilities					
Trade and other payables	22	**168,915**	176,180	**166,544**	144,554
Borrowings	23	**114,170**	66,444	**3,379**	4,936
Deferred income	24	**2,362**	2,200	**-**	-
Current tax liabilities		**3,537**	6,388	**-**	-
		288,984	251,212	**169,923**	149,490
TOTAL LIABILITIES		**593,026**	519,328	**170,291**	153,237
TOTAL EQUITY AND LIABILITIES		**1,511,696**	1,412,254	**726,899**	721,050

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

Income Statements
for the financial year ended 30 June 2012

		Group		Company	
		2012	**2011**	**2012**	**2011**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue	27	**638,892**	591,263	**23,300**	23,300
Cost of sales and services	28	**(467,266)**	(407,671)	**(10,587)**	(9,014)
Gross profit		**171,626**	183,592	**12,713**	14,286
Other income		**21,444**	20,418	**608**	897
Administrative expenses		**(25,743)**	(23,492)	**(860)**	(1,565)
Other expenses		**(92,777)**	(92,004)	**(2,256)**	(3,349)
Finance costs		**(7,719)**	(9,885)	**(1,587)**	(2,222)
Share of profit of associates		**986**	1,236	**-**	-
Share of profit of a jointly controlled entity	12	**1,228**	-	**-**	-
Profit before tax	29	**69,045**	79,865	**8,618**	8,047
Tax expense	30	**(16,978)**	(24,393)	**(2,736)**	(2,971)
Profit for the financial year		**52,067**	55,472	**5,882**	5,076
Profit attributable to:					
Owners of the parent		**52,282**	56,988	**5,882**	5,076
Non-controlling interests		**(215)**	(1,516)	**-**	-
		52,067	55,472	**5,882**	5,076
Basic earnings per ordinary share (sen)	31	**11.47**	12.51		

Statements of Comprehensive Income
for the financial year ended 30 June 2012

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit for the financial year	**52,067**	55,472	**5,882**	5,076
Other comprehensive income:				
Disposal of available-for-sale financial assets	**(10,639)**	-	**-**	-
Fair value gains on available-for-sale financial assets	**1,556**	11,648	**-**	-
Foreign currency translations	**(3)**	12,736	**-**	-
Other comprehensive income	**(9,086)**	24,384	**-**	-
Total comprehensive income	**42,981**	79,856	**5,882**	5,076
Total comprehensive income attributable to:				
Owners of the parent	**43,073**	81,590	**5,882**	5,076
Non-controlling interests	**(92)**	(1,734)	**-**	-
	42,981	79,856	**5,882**	5,076

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

Consolidated Statement of Changes in Equity
for the financial year ended 30 June 2012

		Attributable to the owners of the parent									
Group	Note	Share capital RM'000	Share premium RM'000	Warrant reserve RM'000	Available-for-sale reserve RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance at 1 July 2010		456,132	39,773	-	-	(10,122)	(266)	340,344	825,861	86	825,947
Effects of adoption of FRS 139		-	-	-	1,143	-	-	(1,212)	(69)	-	(69)
Restated balance at 1 July 2010		456,132	39,773	-	1,143	(10,122)	(266)	339,132	825,792	86	825,878
Profit for the financial year		-	-	-	-	-	-	56,988	56,988	(1,516)	55,472
Fair value gains on available-for-sale financial assets		-	-	-	11,648	-	-	-	11,648	-	11,648
Foreign currency translations		-	-	-	-	12,954	-	-	12,954	(218)	12,736
Total comprehensive income		-	-	-	11,648	12,954	-	56,988	81,590	(1,734)	79,856
Transactions with owners											
Dividend paid to shareholders	32	-	-	-	-	-	-	(17,087)	(17,087)	-	(17,087)
Ordinary shares issued	20	2	1	-	-	-	-	-	3	-	3
Warrants issued		-	-	4,276	-	-	-	-	4,276	-	4,276
Total transactions with owners		2	1	4,276	-	-	-	(17,087)	(12,808)	-	(12,808)
Balance at 30 June 2011		456,134	39,774	4,276	12,791	2,832	(266)	379,033	894,574	(1,648)	892,926

Consolidated Statement of Changes in Equity
for the financial year ended 30 June 2012

Group	Note	Share capital RM'000	Share premium RM'000	Warrant reserve RM'000	Available-for-sale reserve RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Attributable to the owners of the parent									
Balance at 1 July 2011		456,134	39,774	4,276	12,791	2,832	(266)	379,033	894,574	(1,648)	892,926
Profit for the financial year		-	-	-	-	-	-	52,282	52,282	(215)	52,067
Fair value gains on available-for-sale financial assets		-	-	-	1,556	-	-	-	1,556	-	1,556
Disposal of available-for sale financial assets		-	-	-	(10,639)	-	-	-	(10,639)	-	(10,639)
Foreign currency translations		-	-	-	-	(126)	-	-	(126)	123	(3)
Total comprehensive income		-	-	-	(9,083)	(126)	-	52,282	43,073	(92)	42,981
Transactions with owners											
Dividend paid to shareholders	32	-	-	-	-	-	-	(17,087)	(17,087)	-	(17,087)
Accretion of interests in a subsidiary		-	-	-	-	-	-	(217)	(217)	67	(150)
Total transactions with owners		-	-	-	-	-	-	(17,304)	(17,304)	67	(17,237)
Balance at 30 June 2012		**456,134**	**39,774**	**4,276**	**3,708**	**2,706**	**(266)**	**414,011**	**920,343**	**(1,673)**	**918,670**

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

Statement of Changes in Equity
for the financial year ended 30 June 2012

		← Non-distributable →			← Distributable →		
Company	**Note**	**Share capital RM'000**	**Share premium RM'000**	**Warrant reserve RM'000**	**Treasury shares RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
Balance at 1 July 2010		456,132	39,773	-	(266)	79,906	575,545
Profit for the financial year		-	-	-	-	5,076	5,076
Total comprehensive income		-	-	-	-	5,076	5,076
Transactions with owners							
Dividend paid to shareholders	32	-	-	-	-	(17,087)	(17,087)
Ordinary shares issued	20	2	1	-	-	-	3
Warrants issued		-	-	4,276	-	-	4,276
Total transactions with owners		2	1	4,276	-	(17,087)	(12,808)
Balance at 30 June 2011		456,134	39,774	4,276	(266)	67,895	567,813
Profit for the financial year		-	-	-	-	5,882	5,882
Total comprehensive income		-	-	-	-	5,882	5,882
Transactions with owners							
Dividend paid to shareholders	32	-	-	-	-	(17,087)	(17,087)
Total transactions with owners		-	-	-	-	(17,087)	(17,087)
Balance at 30 June 2012		**456,134**	**39,774**	**4,276**	**(266)**	**56,690**	**556,608**

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

Statements of Cash Flows
for the financial year ended 30 June 2012

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		**69,045**	79,865	**8,618**	8,047
Adjustments for:					
Bad debts written off		**20**	20	**-**	-
Depreciation of investment properties	9	**3,888**	4,212	**-**	-
Depreciation of property, plant and equipment	7	**17,964**	17,084	**178**	166
Dividend income	27	**(1,620)**	(2,940)	**(20,000)**	(20,000)
Gain on disposal of:					
- investment properties		**-**	(2,013)	**-**	-
- property, plant and equipment		**(244)**	(479)	**-**	-
- other investments		**(11,498)**	(1,092)	**-**	-
Impairment loss on:					
- investments in subsidiaries	10	**-**	-	**1,157**	2,192
- trade and other receivables		**396**	1,077	**-**	-
Interest accretion on trade receivables		**(1,036)**	(705)	**-**	-
Interest expense		**7,719**	9,885	**1,587**	2,222
Interest income		**(2,957)**	(3,096)	**(607)**	(869)
Inventories written down	18	**2,571**	1,325	**-**	-
Inventories written off		**62**	54	**-**	-
Investment properties written off	9	**-**	710	**-**	-
Property, plant and equipment written off	7	**624**	458	**-**	-
Reversal of impairment loss on trade and other receivables		**(336)**	(4,609)	**-**	-
Reversal of inventories previously written off		**-**	(47)	**-**	-
Share of profit of associates		**(986)**	(1,236)	**-**	-
Share of profit of a jointly controlled entity	12	**(1,228)**	-	**-**	-
Unrealised loss on foreign exchange		**114**	1,079	**-**	-
Operating profit/(loss) before changes in working capital		**82,498**	99,552	**(9,067)**	(8,242)
Changes in working capital:					
Inventories		**3,408**	2,451	**-**	-
Property development costs and land held for property development		**(61,511)**	(22,580)	**-**	-
Trade and other receivables		**(22,889)**	(6,594)	**(18)**	32
Trade and other payables		**(5,935)**	(21,725)	**(824)**	(102)
Cash (used in)/generated from operating activities		**(4,429)**	51,104	**(9,909)**	(8,312)
Tax paid		**(17,177)**	(23,190)	**-**	-
Tax refunded		**336**	776	**-**	-
Net cash (used in)/from operating activities		**(21,270)**	28,690	**(9,909)**	(8,312)

Statements of Cash Flows
for the financial year ended 30 June 2012

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of additional interests in subsidiaries	10	**(150)**	-	**(11,650)**	(3,000)
Dividends received		**1,215**	2,227	**15,000**	15,000
Decrease in pledged deposits placed with licensed banks		**4,535**	830	**-**	-
Interest received		**2,957**	3,096	**607**	869
Proceeds from disposal of investment properties		**-**	6,664	**-**	-
Proceeds from disposal of other investments		**34,374**	14,473	**-**	-
Proceeds from disposal of property, plant and equipment		**480**	804	**-**	-
Purchase of investment properties	9	**(134)**	(509)	**-**	-
Purchase of other investments		**(3,247)**	(14,080)	**-**	-
Purchase of property, plant, equipment and biological assets	7	**(33,360)**	(27,444)	**(80)**	(121)
Repayments by subsidiaries		**-**	-	**29,949**	43,474
Net cash from/(used in) investing activities		**6,670**	(13,939)	**33,826**	56,222
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid		**(15,760)**	(15,508)	**(1,587)**	(2,222)
Dividend paid to shareholders of the Company	32	**(17,087)**	(17,087)	**(17,087)**	(17,087)
Drawdowns of loans and borrowings		**288,626**	209,978	**-**	-
Repayments of loans and borrowings		**(204,953)**	(252,435)	**(4,077)**	(37,692)
Proceeds from issuance of:					
- ordinary shares		**-**	3	**-**	3
- warrants		**-**	4,276	**-**	4,276
Net cash from/(used in) financing activities		**50,826**	(70,773)	**(22,751)**	(52,722)
Net increase/(decrease) in cash and cash equivalents		**36,226**	(56,022)	**1,166**	(4,812)
Effect of exchange rate fluctuations on cash held		**(24)**	4,087	**-**	-
Cash and cash equivalents at beginning of financial year		**52,411**	104,346	**(343)**	4,469
Cash and cash equivalents at end of financial year	19	**88,613**	52,411	**823**	(343)

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

1. CORPORATE INFORMATION

The Company 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 and principal place of business of the Company are both located at 18th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia ('RM'), which is also the Company's functional currency. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 17 October 2012.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, property investment and provision of management services to the subsidiaries. The principal activities of the subsidiaries are set out in Note 10 to the financial statements. There have been no significant changes in the nature of these activities during the financial year other than the commencement of cultivation of oil palm activity by a subsidiary.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with applicable approved Financial Reporting Standards ('FRSs') and the provisions of the Companies Act, 1965 in Malaysia. However, Note 39 to the financial statements has been prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ('MIA Guidance') and the directive of Bursa Malaysia Securities Berhad.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries. Subsidiaries are entities (including special purposes entities) over which the Company has the power to govern the financial operating policies, generally accompanied by a shareholding giving rise to the majority of the voting rights, as to obtain benefits from their activities.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup balances, transactions, income and expenses are eliminated on consolidation. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the other entities in the Group.

Non-controlling interests represents the equity in subsidiaries that are not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured at either fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by FRSs. The choice of measurement basis is made on an combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

The Group has applied the revised FRS 3 *Business Combinations* in accounting for business combinations from 1 July 2011 onwards. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the Standard.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to owners of the parent.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of consolidation (continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between:

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 139 *Financial Instruments: Recognition and Measurement* or, where applicable, the cost on initial recognition of an investment in associate or jointly controlled entity.

4.3 Business combinations

Business combinations from 1 July 2011 onwards

Business combinations are accounted for by applying the acquisition method of accounting.

Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the acquisition date, except that:

(a) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 112 *Income Taxes* and FRS 119 *Employee Benefits* respectively;

(b) liabilities or equity instruments related to the replacements by the Group of an acquiree's share-based payment awards are measured in accordance with FRS 2 *Share-based Payment*; and

(c) assets (or disposal groups) that are classified as held for sale in accordance with FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the serviced are received.

Any contingent consideration payable is recognised at fair value at the acquisition date. Measurement period adjustments to contingent consideration are dealt with as follows:

(a) If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity.

(b) Subsequent changes to contingent consideration classified as an asset or liability that is a financial instrument within the scope of FRS 139 are recognised either in profit or loss or in other comprehensive income in accordance with FRS 139. All other subsequent changes are recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Business combinations (continued)

Business combinations from 1 July 2011 onwards (continued)

In a business combination achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profits or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. The accounting policy for goodwill is set out in Note 4.11. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Business combinations before 1 July 2011

Under the purchase method of accounting, the cost of business combination is measured at the aggregate of fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

At the acquisition date, the cost of business combination is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities in the business combination which are measured initially at their fair values at the acquisition date. The excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill (see Note 4.11 to the financial statements on goodwill). If the cost of business combination is less than the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, the Group will:

(a) reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination; and

(b) recognise immediately in profit or loss any excess remaining after that reassessment.

When a business combination includes more than one foreign exchange transaction, any adjustment to the fair values of the subsidiary's identifiable assets, liabilities and contingent liabilities relating to previously held interests of the Group is accounted for as a revaluation.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable. The cost of self-constructed assets also includes the cost of materials and direct labour. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When the use of a property changes from owner-occupied to investment property or vice-versa, the property will be reclassified accordingly based on the carrying amount at the date of transfer.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

After initial recognition, property, plant and equipment except for freehold land, freehold golf course, operating equipment and construction-in-progress are stated at cost less accumulated depreciation and any accumulated impairment losses. The freehold land, freehold golf course, operating equipment and construction-in-progress are stated at cost less any accumulated impairment losses.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives are as follows:

Freehold hotel properties	Over the remaining useful life of 36 – 42 years
Leasehold hotel properties	Over the remaining useful life of 43 years
Long term leasehold land	49 – 91 years
Buildings and improvements	5 – 50 years
Jetty and infrastructure	50 years
Plant, machinery and electrical installation	5 – 20 years
Motor vehicles and boats	5 – 10 years
Hotel furniture, fittings and equipment	5 – 10 years
Furniture, fittings and equipment	3 – 10 years
Computers	2 – 5 years

Freehold land and freehold golf course are not depreciated. Construction-in-progress represents buildings under construction and renovation-in-progress and is stated at cost. Construction-in-progress is not depreciated until such time when the asset is available for use.

The base stock of operating equipment for hotel properties included in hotel furniture, fittings and equipment is not depreciated and subsequent replacement cost is charged to profit or loss. The non-depreciation of base stock together with the charging of subsequent replacement cost to profit or loss has no material effect on the financial statements as compared to the capitalisation and depreciation of base stock.

4. **SIGNIFICANT ACCOUNTING POLICIES (continued)**

4.4 Property, plant and equipment and depreciation (continued)

At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.12 to the financial statements on impairment of non-financial assets).

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

4.5 Biological assets

Biological assets represent plantation development expenditure for oil palm.

New planting expenditure, which represents total cost incurred from land clearing to the point of harvesting, is capitalised under biological assets and is not amortised. Replanting expenditure, which represents cost incurred in replanting old planted areas, is charged to profit or loss in the financial year it is incurred.

4.6 Leases and hire purchase

(a) Finance leases and hire purchase

Assets acquired under finance leases and hire purchase which transfer substantially all the risks and rewards incidental to ownership to the Group are recognised initially at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the leases, if this is practicable to determine; if not, the Group's incremental borrowing rate is used. Any initial direct costs incurred by the Group are added to the amount recognised as an asset. The assets are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are recognised in profit or loss over the period of the lease term so as to produce a constant periodic rate of interest on the remaining lease and hire purchase liabilities.

(b) Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.6 Leases and hire purchase (continued)

(c) Leases for land and buildings

For leases of land and buildings, the land and buildings elements are considered separately for the purpose of lease classification and these leases are classified as operating or finance leases in the same way as leases of other assets.

The minimum lease payments including any lump-sum upfront payments made to acquire the interest in the land and buildings, are allocated between the land and the buildings elements in proportion to the relative fair values of the leasehold interests in the land element and the buildings element of the lease at the inception of the lease.

For a lease of land and buildings in which the amount that would initially be recognised for the land element is immaterial, the land and buildings are treated as a single unit for the purpose of lease classification and is accordingly classified as a finance or operating lease. In such a case, the economic life of the buildings is regarded as the economic life of the entire leased asset.

4.7 Property development activities

(a) Land held for property development

Land held for property development is stated at cost less impairment losses, if any. Such land is classified as non-current asset when no significant development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(b) Property development costs

Property development costs comprise all cost that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. They comprise the cost of land under development, construction costs and other related development costs common to the whole project including professional fees, stamp duties, commissions, conversion fees and other relevant levies as well as borrowing costs.

Property development costs not recognised as an expense are recognised as an asset measured at the lower of cost and net realisable value.

When revenue recognised in profit or loss exceeds progress billings to purchasers, the balance is classified as accrued billings under current assets. When progress billings exceed revenue recognised in profit or loss, the balance is classified as progress billings under current liabilities.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Construction contracts

Contract costs comprise costs related directly to the specific contract and those that are attributable to the contract activity in general and can be allocated to the contract and such other costs that are specifically chargeable to the customer under the terms of the contract.

When the total of costs incurred on construction contracts plus recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers for contract work. When progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is classified as amount due to customers for contract work.

4.9 Investment properties

Investment properties are properties which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group. Properties that are occupied by the companies in the Group are accounted for as owner-occupied rather than as investment properties.

Investment properties are stated at cost less accumulated depreciation and any impairment losses, consistent with the accounting policy for property, plant and equipment as stated in Note 4.4 to the financial statements.

For buildings, depreciation is charged to profit or loss on a straight-line basis over the estimated useful life of 50 years. Freehold land is not depreciated.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is recognised in profit or loss in the period of the retirement or disposal.

4.10 Investments

(a) Subsidiaries

A subsidiary is an entity in which the Group and the Company have power to control the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

An investment in subsidiary, which is eliminated on consolidation, is stated in the Company's separate financial statements at cost less impairment losses. Investments accounted for at cost shall be accounted for in accordance with FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* when they are classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with FRS 5.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the Group would derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Investments (continued)

(b) Associates

An associate is an entity over which the Group and the Company have significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

In the Company's separate financial statements, an investment in associate is stated at cost less impairment losses.

An investment in associate is accounted for in the consolidated financial statements using the equity method of accounting. The investment in associate in the consolidated statement of financial position is initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets of the investments.

The interest in the associate is the carrying amount of the investment in the associate under the equity method together with any long term interest that, in substance, form part of the Group's net investment in the associate.

The Group's share of the profit or loss of the associate during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. Distributions received from the associate reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Group's proportionate interest in the associate arising from changes in the associate's equity that have not been recognised in the associate's profit or loss. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The Group's share of those changes is recognised directly in equity of the Group.

Unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group's share of losses in the associate equals to or exceeds its interest in the associate, the carrying amount of that interest is reduced to nil and the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on its behalf.

The most recent available financial statements of the associate are used by the Group in applying the equity method. When the end of the reporting periods of the financial statements are not coterminous, the share of results is arrived at using the latest audited financial statements for which the difference at end of the reporting periods is no more than three months. Adjustments are made for the effects of any significant transactions or events that occur between the intervening period.

Upon disposal of an investment in associate, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Investments (continued)

(c) Jointly controlled entities

A jointly controlled entity is a joint venture that involves the establishment of a corporation, partnership or other entities over which there is contractually agreed sharing of joint control over the economic activity of the entity. Joint control exists when the strategic financial and operational decisions relating to the activity require the unanimous consent of all the parties sharing control.

In the Company's separate financial statements, an investment in jointly controlled entities is stated at cost.

The investment in jointly controlled entity is accounted for in the consolidated financial statements using the equity method of accounting. The Group's share of the profit or loss of the jointly controlled entity during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other venturers. The Group does not recognise its share of profits or losses from the joint venture that result from the purchase of assets by the Group from the joint venture until it resells the assets to an independent party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment loss. When necessary, in applying the equity method, adjustments are made to the financial statements of the jointly controlled entity to ensure consistency of accounting policies with those of the Group.

Unrealised gains on transactions between the Group and its jointly controlled entity are eliminated to the extent of the Group's interest in the jointly controlled entity; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the asset transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of the jointly controlled entity to ensure consistency of accounting policies with those of the Group.

Adjustments to the carrying amount may also be necessary for changes in the Group's proportionate interest in the jointly controlled entity arising from changes in the jointly controlled entity's equity that have not been recognised in the jointly controlled entity's profit or loss. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The Group's share of those changes is recognised directly in equity of the Group.

Upon disposal of such investment, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Intangible assets

Goodwill

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill arising on acquisition of an associate is the excess of cost of investment over the Group's share of the net fair value of net assets of the associates' identifiable assets and liabilities at the date of acquisition.

Goodwill relating to the associate is included in the carrying amount of the investment and is not amortised. The excess of the Group's share of the net fair value of the associate's identifiable assets and liabilities over the cost of investment is included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

4.12 Impairment of non-financial assets

The carrying amount of assets, except for financial assets (excluding investments in subsidiaries, associates and jointly controlled enity), inventories, assets arising from construction contract, property development costs and deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Goodwill and intangible assets that have an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the goodwill or intangible assets might be impaired.

The recoverable amount of an asset is estimated for an individual asset. Where it is not probable to estimate the recoverable amount of the individual asset, the impairment test is carried out on the cash generating unit ('CGU') to which the asset belongs. Goodwill acquired in a business combination is from the acquisition date, allocated to each of the Group's CGU or groups of CGU that are expected to benefit from the synergies of the combination giving rise to the goodwill irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Goodwill acquired in a business combination shall be tested for impairment as part of the impairment testing of CGU to which it relates. The CGU to which goodwill is allocated shall represent the lowest level within the Group at which the goodwill is monitored for internal management purposes and not larger than an operating segment determined in accordance with FRS 8.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Impairment of non-financial assets (continued)

The recoverable amount of an asset or CGU is the higher of its fair value less cost to sell and its value in use.

In estimating the value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal 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 for which the future cash flow estimates have not been adjusted. An impairment loss is recognised in profit or loss when the carrying amount of the asset or the CGU, including the goodwill or intangible asset, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated, first, to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis of the carrying amount of each asset in the CGU.

The impairment loss is recognised in profit or loss immediately except for the impairment on a revalued asset where the impairment loss is recognised directly against the revaluation reserve to the extent of the surplus credited from the previous revaluation for the same asset with the excess of the impairment loss charged to profit or loss.

An impairment loss on goodwill is not reversed in subsequent periods. An impairment loss for other assets is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Such reversals are recognised as income immediately in profit or loss except for the reversal of an impairment loss on a revalued asset where the reversal of the impairment loss is treated as a revaluation increase and credited to the revaluation reserve account of the same asset. However, to the extent that an impairment loss on the same revalued asset was previously recognised in profit or loss, a reversal of that impairment loss is also recognised in profit or loss.

4.13 Inventories

(a) Completed properties held for sale

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost consists of cost associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable to developing the properties to completion.

(b) Other inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average cost basis. The cost of consumables and raw materials comprise all costs of purchase plus the cost of bringing the inventories to their present location and condition. The cost of work-in-progress and finished goods includes the cost of raw materials, direct labour, other direct cost and a proportion of production overheads based on normal operating capacity of the production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, an equity instrument of another enterprise, a contractual right to receive cash or another financial asset from another enterprise, or a contractual right to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the Group.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or a contractual obligation to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially unfavourable to the Group.

Financial instruments are recognised on the statement of financial position when the Group has become a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is recognised at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial instrument.

An embedded derivative is separated from the host contract and accounted for as a derivative if, and only if the economic characteristics and risks of the embedded derivative is not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative meets the definition of a derivative, and the hybrid instrument is not measured at fair value through profit or loss.

(a) Financial assets

A financial asset is classified into the following four categories after initial recognition for the purpose of subsequent measurement:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise financial assets that are held for trading (i.e. financial assets acquired principally for the purpose of resale in the near term), derivatives (both, freestanding and embedded) and financial assets that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial assets classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as at fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial assets classified as at fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

However, derivatives that is linked to and must be settled by delivery of unquoted equity instruments that do not have a quoted market price in an active market are recognised at cost.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

(a) Financial assets (continued)

(ii) Held-to-maturity investments

Financial assets classified as held-to-maturity comprise non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, financial assets classified as held-to-maturity are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as held-to-maturity are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

(iii) Loans and receivables

Financial assets classified as loans and receivables comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Subsequent to initial recognition, financial assets classified as loans and receivables are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as loans and receivables are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

(iv) Available-for-sale financial assets

Financial assets classified as available-for-sale comprise non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Subsequent to initial recognition, financial assets classified as available-for-sale are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as available-for-sale are recognised directly in other comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss. However, interest calculated using the effective interest method is recognised in profit or loss whilst dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payment is established.

Cash and cash equivalents include cash and bank balances, bank overdrafts, deposits and other short term, highly liquid investments, which are readily convertible to cash and are subject to insignificant risk of changes in value.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised directly in other comprehensive income shall be recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

(a) Financial assets (continued)

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or marketplace convention. A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting.

(b) Financial liabilities

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. A financial liability is classified into the following two categories after initial recognition for the purpose of subsequent measurement:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise financial liabilities that are held for trading, derivatives (both, freestanding and embedded) and financial liabilities that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial liabilities classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial liabilities classified as at fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial liabilities classified as at fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

(ii) Other financial liabilities

Financial liabilities classified as other financial liabilities comprise non-derivative financial liabilities that are neither held for trading nor initially designated as at fair value through profit or loss.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains or losses on other financial liabilities are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

Convertible bonds are initially classified separately as financial liabilities and equity instruments in accordance with the substance of the contractual arrangement. When the initial carrying amount of the convertible bonds is allocated to its equity and liability components, the equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. The sum of the carrying amounts assigned to the liability and equity components on initial recognition is always equal to the fair value that would be ascribed to the instrument as a whole. No gain or loss arises from initially recognising the components of the instrument separately.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

(b) Financial liabilities (continued)

A financial liability is derecognised when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires. An exchange between an existing borrower and lender of debt instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

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 in accordance with the original or modified terms of a debt instrument.

The Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts as defined in FRS 4 *Insurance Contracts*. The Group recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(c) Equity

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 classified as equity instruments.

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to profit or loss.

Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognised upon the approval of shareholders in a general meeting.

The Group measures a liability to distribute non-cash assets as a dividend to the owners of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at each reporting date and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the difference, if any, between the carrying amount of the assets distributed and the carrying amount of the liability in profit or loss.

If the Company reacquires its own equity instruments, the consideration paid, including any attributable transaction costs is deducted from equity as treasury shares until they are cancelled. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Where such shares are issued by resale, the difference between the sales consideration and the carrying amount is shown as a movement in equity.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.15 Impairment of financial assets

The Group assesses whether there is any objective evidence that a financial asset is impaired at the end of each reporting period.

(a) Loans and receivables

The Group collectively considers factors such as the probability of bankruptcy or significant financial difficulties of the receivable, and default or significant delay in payments to determine whether there is objective evidence that an impairment loss on loans and receivables has occurred. Other objective evidence of impairment include historical collection rates determined on an individual basis and observable changes in national or local economic conditions that are directly correlated with the historical default rates of receivables.

If any such objective evidence exists, the amount of impairment loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of loans and receivables is reduced through the use of an allowance account.

If in a subsequent period, the amount of the impairment loss decreases and it objectively relates to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of impairment reversed is recognised in profit or loss.

(b) Available-for-sale financial assets

The Group collectively considers factors such as significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market as objective evidence that available-for-sale financial assets are impaired.

If any such objective evidence exists, an amount comprising the difference between the financial asset's cost (net of any principal payment and amortisation) and current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Instead, any increase in the fair value subsequent to the impairment loss is recognised in other comprehensive income.

Impairment losses on available-for-sale debt investments are subsequently reversed in profit or loss if the increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.16 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.17 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes, which are payable by a foreign subsidiary or associate on distributions to the Group and Company, and real property gains taxes payable on disposal of properties, if any.

Taxes in the income statements comprise current tax and deferred tax.

(a) Current tax

Current tax expenses are determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits (including withholding taxes payable by foreign subsidiaries on distribution of retained earnings to companies in the Group), and real property gains taxes payable on disposal of properties, if any.

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.17 Income taxes (continued)

(b) Deferred tax (continued)

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

(i) the same taxable entity; or

(ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax will be recognised as income or expense and included in the profit or loss for the period unless the tax relates to items that are credited or charged, in the same or a different period, directly to equity, in which case the deferred tax will be charged or credited directly to equity.

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

4.18 Provisions

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

Where the effect of the time value of money is material, the amount of a provision will be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

4.19 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 Contingent liabilities and contingent assets (continued)

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any non-controlling interest.

4.20 Employee benefits

(a) Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the financial year when employees have rendered their services to the Group.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as paid sick leave are recognised when the absences occur.

Cash bonus and bonus under profit-sharing plans are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plans

The Company and its subsidiaries incorporated in Malaysia make contributions to a statutory provident fund and foreign subsidiaries make contributions to their respective countries' statutory pension schemes. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

4.21 Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Ringgit Malaysia ('RM'), which is the Company's functional and presentation currency.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.21 Foreign currencies (continued)

(b) Foreign currency transactions and balances

Transactions in foreign currencies are converted into functional currency of the Company and the respective subsidiaries at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the end of the reporting period are translated into functional currency of the Company and the respective subsidiaries at rates of exchange ruling at that date. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in profit or loss in the period in which they arise. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition, and non-monetary items which are carried at fair value are translated using the exchange rate that existed when the values were determined for presentation currency purposes.

(c) Foreign operations

Financial statements of foreign operations are translated at financial year end exchange rates with respect to the assets and liabilities, and at average exchange rates for the financial year with respect to the income statement. All resulting translation differences are recognised as a separate component of equity.

In the consolidated financial statements, exchange differences arising from the translation of net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on disposal.

Exchange differences arising on a monetary item that forms part of the net investment of the Company in a foreign operation shall be recognised in profit or loss in the separate financial statements of the Company or the foreign operation, as appropriate. In the consolidated financial statements, such exchange differences shall be recognised initially as a separate component of equity and recognised in profit or loss upon disposal of the net investment.

Goodwill and fair value adjustments to the assets and liabilities arising from the acquisition of a foreign operation are treated as assets and liabilities of the acquired entity and translated at the exchange rate ruling at the end of the reporting period.

4.22 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of discounts and rebates.

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the Group's activities as follows:

(a) Sale of goods

Revenue from sale of goods is recognised when significant risks and rewards of ownership of the goods has been transferred to the customer and where the Group retains neither continuing managerial involvement over the goods, which coincides with the delivery of goods and services and acceptance by customers.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.22 Revenue recognition (continued)

(b) Services

Hotel and golf course

Revenue from the provision of rooms, food and beverage sales from hotel operations as well as hotel management and consultancy services, green fees and buggy rental are recognised when services are rendered.

Property investment and property management services

Revenue from property investment and the provision of property management services are recognised based on the rental received and receivable from property and fees chargeable to customers during the year.

Management and operation of timeshare membership scheme

70% of the purchase price representing enrolment fees from members joining the timeshare vacation club are recognised as revenue upon signing of the membership agreements. The remaining 30% of the purchase price representing the advance annual fee is treated as deferred membership fee, which is recognised over the membership period of either 29 years or 30 years.

Maintenance fees are recognised as revenue based on fees chargeable to members during the year.

(c) Construction contracts

Contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract. Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. The stage of completion is assessed by reference to surveys of work performed.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.22 Revenue recognition (continued)

(d) Property development

Property development revenue is recognised in respect of all development units that have been sold. Revenue recognition commences when the sale of the development unit is effected, upon the commencement of development and construction activities and when the financial outcome can be reliably estimated. The attributable portion of property development cost is recognised as an expense in the period in which the related revenue is recognised. The amount of such revenue and expenses recognised is determined by reference to the stage of completion of development activity at the end of the reporting period. The stage of completion is measured by reference to the proportion that property development costs incurred for work performed to date bear to the estimated total property development cost.

When the financial outcome of a development activity cannot be reliably estimated, the property development revenue is recognised only to the extent of property development costs incurred that is probable to be recoverable and the property development costs on the development units sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project is recognised as an expense immediately, including costs to be incurred over the defects liability period.

(e) Completed properties held for sale

Revenue from the sales of completed properties held for sale is recognised as and when the transfer of significant risks and rewards of ownership to the buyer upon signing of sale and purchase agreement has been completed.

(f) Dividend income

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

(g) Interest income

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

(h) Rental income

Rental income is accounted for on a straight-line basis over the lease term of an ongoing lease. The aggregate cost of incentives provided to the lessee is recognised as a reduction of rental income over the lease term on a straight-line basis.

(i) Management fees

Management fees are recognised when services are rendered.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.23 Operating segments

Operating segments are defined as components of the Group that:

(a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);

(b) whose operating results are regularly reviewed by the Group's chief operating decision maker (i.e. the Group's Managing Director) in making decisions about resources to be allocated to the segment and assessing its performance; and

(c) for which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues.

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

(a) Its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10 per cent or more of the combined revenue, internal and external, of all operating segments.

(b) The absolute amount of its reported profit or loss is 10 per cent or more of the greater, in absolute amount of:

   (i) the combined reported profit of all operating segments that did not report a loss; and

   (ii) the combined reported loss of all operating segments that reported a loss.

(c) Its assets are 10 per cent or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least 75 per cent of the Group's revenue. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.24 Earnings per share

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs

5.1 New FRSs adopted during the current financial year

Title		**Effective Date**
Amendment to FRS 1	*Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters*	1 January 2011
Amendments to FRS 1	*Additional Exemptions for First-time Adopters*	1 January 2011
Amendments to FRS 2	*Group Cash-settled Share-based Payment Transactions*	1 January 2011
Amendments to FRS 7	*Improving Disclosures about Financial Instruments*	1 January 2011
IC Interpretation 4	*Determining Whether an Arrangement Contains a Lease*	1 January 2011
Amendments to IC Interpretation 14	*FRS 119 – Prepayments of a Minimum Funding Requirement*	1 July 2011
IC Interpretation 18	*Transfers of Assets from Customers*	1 January 2011
IC Interpretation 19	*Extinguishing Financial Liabilities with Equity Instruments*	1 July 2011
Improvements to FRSs (2010)		1 January 2011

There is no impact upon adoption of the above new FRSs and Amendments to FRSs during the current financial year.

5.2 New FRSs that have been issued, but not yet effective and not yet adopted

Title		**Effective Date**
FRS 124	*Related Party Disclosures*	1 January 2012
Amendments to FRS 1	*Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*	1 January 2012
Amendments to FRS 7	*Disclosures – Transfers of Financial Assets*	1 January 2012
Amendments to FRS 112	*Deferred tax: Recovery of Underlying Assets*	1 January 2012
Mandatory Effective Date of FRS 9 and Transition Disclosures		1 March 2012
Amendments to FRS 101	*Presentation of Items of Other Comprehensive Income*	1 July 2012
FRS 10	*Consolidated Financial Statements*	1 January 2013

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (continued)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (continued)

Title		Effective Date
FRS 11	*Joint Arrangements*	1 January 2013
FRS 12	*Disclosure of Interests in Other Entities*	1 January 2013
FRS 13	*Fair Value Measurement*	1 January 2013
FRS 119	*Employee Benefits*	1 January 2013
FRS 127	*Separate Financial Statements*	1 January 2013
FRS 128	*Investments in Associates and Joint Ventures*	1 January 2013
Amendments to FRS 1	*Government Loans*	1 January 2013
Amendments to FRS 7	*Disclosures – Offsetting Financial Assets and Financial Liabilities*	1 January 2013
Improvements to FRSs (2012)		1 January 2013
Amendments to FRS 10, FRS 11 and FRS 12	*Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*	1 January 2013
Amendments to FRS 132	*Offsetting Financial Assets and Financial Liabilities*	1 January 2014
FRS 9	*Financial Instruments (IFRS 9 Financial Instruments issued by the International Accounting Standards Board ('IASB') in November 2009)*	1 January 2015
FRS 9	*Financial Instruments (IFRS 9 Financial Instruments issued by the IASB in November 2010)*	1 January 2015
FRS 3	*Business Combinations (IFRS 3 Business Combinations issued by the IASB in March 2004)*	1 January 2013
FRS 127	*Consolidated and Separate Financial Statements (IAS 27 Consolidated and Separate Financial Statements revised by the IASB in December 2003)*	1 January 2013

The Group is in the progress of assessing the impact upon the adoption of the above new FRSs and Amendments to FRSs since the effects would only be observables in future financial years.

5.3 New Malaysian Financial Reporting Standards ('MFRSs') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2014

On 19 November 2011, the Malaysian Accounting Standards Board ('MASB') announced the issuance of the new MFRS framework that is applicable to entities other than private entities. However, based on the MASB announcement on 30 June 2012, the Group has elected for the continued use of FRS for the financial years ending 30 June 2013 and 30 June 2014 as a transitioning entity affected by the scope of MFRS 141 and/or IC Interpretation 15. The Group would subsequently adopt the MFRS framework for the financial year ended 30 June 2015.

The subsequent adoption of the MFRS framework would result in the Group preparing an opening MFRS statement of financial position as at 1 July 2013 which adjusts for differences between the classification and measurement bases in the existing FRS framework versus that in the new MFRS framework. This would also result in a restatement of the annual and quarterly financial performance for the financial year ending 30 June 2015 in accordance with MFRS which would form the MFRS comparatives for the annual and quarterly financial performance for the financial year ending 30 June 2015 respectively.

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (continued)

5.3 New Malaysian Financial Reporting Standards ('MFRSs') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2014 (continued)

The MFRSs and IC Interpretations expected to be adopted are as follows:

MFRS 1	*First-time Adoption of Malaysian Financial Reporting Standards*
MFRS 2	*Share-based Payment*
MFRS 3	*Business Combinations*
MFRS 4	*Insurance Contracts*
MFRS 5	*Non-current Assets Held for Sale and Discontinued Operations*
MFRS 6	*Exploration for and Evaluation of Mineral Resources*
MFRS 7	*Financial Instruments: Disclosures*
MFRS 8	*Operating Segments*
MFRS 9	*Financial Instruments*
MFRS 10	*Consolidated Financial Statements*
MFRS 11	*Joint Arrangements*
MFRS 12	*Disclosure of Interests in Other Entities*
MFRS 13	*Fair Value Measurement*
MFRS 101	*Presentation of Financial Statements*
Amendments to MFRS 101	*Presentation of Items of Other Comprehensive Income*
MFRS 102	*Inventories*
MFRS 107	*Statement of Cash Flows*
MFRS 108	*Accounting Policies, Changes in Accounting Estimates and Errors*
MFRS 110	*Events After the Reporting Period*
MFRS 111	*Construction Contacts*
MFRS 112	*Income Taxes*
MFRS 116	*Property, Plant and Equipment*
MFRS 117	*Leases*
MFRS 118	*Revenue*
MFRS 119	*Employee Benefits*
MFRS 119	*Employee Benefits (revised)*
MFRS 120	*Accounting for Government Grants and Disclosure of Government Assistance*
MFRS 121	*The Effects of Changes in Foreign Exchange Rates*
MFRS 123	*Borrowing Costs*
MFRS 124	*Related Party Disclosures*
MFRS 126	*Accounting and Reporting by Retirement Benefit Plans*
MFRS 127	*Consolidated and Separate Financial Statements*
MFRS 127	*Separate Financial Statements*
MFRS 128	*Investments in Associates*
MFRS 128	*Investments in Associates and Joint Ventures*
MFRS 129	*Financial Reporting in Hyperinflationary Economies*
MFRS 131	*Interests in Joint Ventures*
MFRS 132	*Financial Instruments: Presentation*
MFRS 133	*Earnings Per Share*
MFRS 134	*Interim Financial Reporting*
MFRS 136	*Impairment of Assets*
MFRS 137	*Provisions, Contingent Liabilities and Contingent Assets*
MFRS 138	*Intangible Assets*
MFRS 139	*Financial Instruments: Recognition and Measurement*

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (continued)

5.3 New Malaysian Financial Reporting Standards ('MFRSs') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2014 (continued)

The MFRSs and IC Interpretations expected to be adopted are as follows (continued):

MFRS 140	*Investment Property*
MFRS 141	*Agriculture*
Improvements to MFRSs (2008)	
Improvements to MFRSs (2009)	
Improvements to MFRSs (2010)	
Amendments to MFRS 1	*Government Loans*
Amendments to MFRS 7	*Disclosures – Offsetting Financial Assets and Financial Liabilities*
Amendments to MFRS 132	*Offsetting Financial Assets and Financial Liabilities*
Mandatory Effective Date of MFRS 9 and Transition Disclosures	
Amendments to MFRSs	*Annual Improvements 2009 – 2011 Cycle*
Amendments to MFRS 10, MFRS 11 and MFRS 12	*Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*
MFRS 3	*Business Combinations (as issued by the IASB in March 2004)*
MFRS 127	*Consolidated and Separate Financial Statements (as issued by the IASB in December 2003)*
IC Interpretation 1	*Changes in Existing Decommissioning, Restoration and Similar Liabilities*
IC Interpretation 2	*Members' Shares in Co-operative Entities and Similar Instruments*
IC Interpretation 4	*Determining Whether an Arrangement Contains a Lease*
IC Interpretation 5	*Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*
IC Interpretation 6	*Liabilities Arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment*
IC Interpretation 7	*Applying the Restatement Approach under MFRS 129 Financial Reporting in Hyper inflationary Economies*
IC Interpretation 9	*Reassessment of Embedded Derivatives*
IC Interpretation 10	*Interim Financial Reporting and Impairment*
IC Interpretation 12	*Service Concession Arrangements*
IC Interpretation 13	*Customer Loyalty Programmes*
IC Interpretation 14	*MFRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*
IC Interpretation 15	*Agreements for the Construction of Real Estate*
IC Interpretation 16	*Hedges of a Net Investment in a Foreign Operation*
IC Interpretation 17	*Distributions of Non-cash Assets to Owners*
IC Interpretation 18	*Transfers of Assets from Customers*
IC Interpretation 19	*Extinguishing Financial Liabilities with Equity Instruments*
IC Interpretation 20	*Stripping Costs in the Production Phase of a Surface Mine*
IC Interpretation 107	*Introduction of the Euro*
IC Interpretation 110	*Government Assistance – No Specific Relation to Operating Activities*
IC Interpretation 112	*Consolidation – Special Purpose Entities*
IC Interpretation 113	*Jointly Controlled Entities – Non-Monetary Contributions by Venturers*
IC Interpretation 115	*Operating Leases – Incentives*
IC Interpretation 125	*Income Taxes – Changes in the Tax Status of an Entity or its Shareholders*
IC Interpretation 127	*Evaluating the Substance of Transactions Involving the Legal Form of a Lease*
IC Interpretation 129	*Service Concession Arrangements: Disclosures*
IC Interpretation 131	*Revenue – Barter Transactions Involving Advertising Services*
IC Interpretation 132	*Intangible Assets – Web Site Costs*

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Changes in estimates

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Directors are of the opinion that there are no significant changes in estimates at the end of the reporting period.

6.2 Critical judgements made in applying accounting policies

The following are judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(a) Operating lease commitments – the Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out as operating leases.

(b) Impairment of available-for-sale investments

The Group assesses its equity shares and warrants classified as available-for-sale investments at the end of each reporting period whether there has been a significant or prolonged decline in the fair value below their cost.

The determination of what is 'significant' or 'prolonged' requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is below its cost.

(c) Contingent liabilities

The determination of treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies for matters in the ordinary course of the business.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.3 Key sources of estimation uncertainty

The following are key assumptions 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 year.

(a) Impairment of goodwill on consolidation

The Group determines whether goodwill on consolidation is impaired at least on an annual basis. This requires an estimation of the value-in-use of the subsidiaries to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the subsidiaries and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are disclosed in Note 8 to the financial statements.

(b) Useful lives of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment at the time the assets are acquired based on historical experience, the expected usage, wear and tear of the assets, and technical obsolescence arising from changes in the market demands or service output of the assets. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to changes in factors mentioned above. Changes in these factors could impact the useful lives and the residual values of the assets, therefore future depreciation charges could be revised.

(c) Property development

The Group recognises property development revenue and expenses in profit or loss by using the percentage of completion method. The stage of completion is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects and determination of liquidated and ascertained damages. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

(d) Construction contract

The Group recognises construction contract revenue and expenses in profit or loss by using the stage of completion method. The stage of completion is determined by reference to surveys of work performed.

Significant judgement is required in determining the stage of completion, the extent of the progress billings issued, the estimated total construction revenue and costs, as well as the recoverability of the construction projects and determination of liquidated and ascertained damages. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.3 Key sources of estimation uncertainty (continued)

(e) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and deductible temporary differences to the extent that it is probable that taxable profits will be available against which the losses, capital allowances and deductible 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) Impairment of receivables

The Group makes impairment of receivables based on an assessment of the recoverability of receivables. Impairment is applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Judgement is required to evaluate the adequacy of impairment, including review of credit worthiness and the past collection history of each receivable. Where expectations differ from the original estimates, the differences will impact the carrying amount of receivables.

(g) Write down for obsolete or slow moving inventories

The Group writes down its obsolete or slow moving inventories based on assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write down for obsolete or slow moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

(h) Impairment of investments in subsidiaries

Investments in subsidiaries are assessed for impairment losses whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Such assessment requires the Directors to make estimates of the recoverable amounts. Impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset’s fair value less cost to sell and its value in use.

(i) Fair values of borrowings

The fair values of borrowings are estimated by discounting future contractual cash flows at the current market interest rates available to the Group for similar financial instruments. It is assumed that the effective interest rates approximate the current market interest rates available to the Group based on its size and its business risk.

7. PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS

Group	Balance as at 1.7.2011 RM'000	Additions RM'000	Disposals RM'000	Write off RM'000	Depreciation charge for the financial year (Note 7(a)) RM'000	Reclassifications RM'000	Transfer from land held for property development (Note 14) RM'000	Translation adjustments RM'000	Balance as at 30.6.2012 RM'000
Carrying amount									
Freehold hotel properties	168,760	1,147	-	-	(4,263)	-	-	(55)	165,589
Leasehold hotel properties	61,745	423	-	-	(1,625)	-	-	-	60,543
Freehold golf course	15,332	-	-	-	-	-	-	-	15,332
Freehold land	48,147	7,751	-	-	-	-	-	(61)	55,837
Long term leasehold land	11,695	-	-	-	(148)	-	28,993	-	40,540
Short term leasehold land	1,270	-	-	-	(30)	-	-	57	1,297
Buildings and improvements	57,732	1,034	-	-	(1,496)	-	-	97	57,367
Jetty and infrastructure	22,762	36	-	-	(586)	-	-	-	22,212
Plant, machinery and electrical installation	17,823	6,119	(113)	(100)	(4,916)	-	-	83	18,896
Motor vehicles and boats	2,785	1,484	(2)	-	(1,088)	-	-	14	3,193
Hotel furniture, fittings and equipment	21,817	3,010	-	(388)	(3,543)	-	-	(11)	20,885
Furniture, fittings and equipment	9,084	4,485	(118)	(135)	(2,881)	5	-	2	10,442
Computers	1,026	244	(3)	(1)	(395)	50	-	-	921
Biological assets	-	2,812	-	-	-	-	3,314	-	6,126
Construction-in-progress	247	4,815	-	-	-	(55)	-	-	5,007
	440,225	33,360	(236)	(624)	(20,971)	-	32,307	126	484,187

7. PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS (continued)

	At 30.6.2012		
Group	**Cost RM'000**	**Accumulated depreciation RM'000**	**Carrying amount RM'000**
Freehold hotel properties	187,393	(21,804)	165,589
Leasehold hotel properties	72,195	(11,652)	60,543
Freehold golf course	15,332	-	15,332
Freehold land	55,837	-	55,837
Long term leasehold land	41,972	(1,432)	40,540
Short term leasehold land	1,470	(173)	1,297
Buildings and improvements	68,315	(10,948)	57,367
Jetty and infrastructure	29,502	(7,290)	22,212
Plant, machinery and electrical installation	82,553	(63,657)	18,896
Motor vehicles and boats	9,151	(5,958)	3,193
Hotel furniture, fittings and equipment	72,881	(51,996)	20,885
Furniture, fittings and equipment	29,711	(19,269)	10,442
Computers	5,766	(4,845)	921
Biological assets	6,126	-	6,126
Construction-in-progress	5,007	-	5,007
	683,211	(199,024)	484,187

7. PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS (continued)

Group	Balance as at 1.7.2010 RM'000	Additions RM'000	Disposals RM'000	Write off RM'000	Depreciation charge for the financial year (Note 7(a)) RM'000	Reclassifications RM'000	Translation adjustments RM'000	Balance as at 30.6.2011 RM'000
Carrying amount								
Freehold hotel properties	133,797	1,661	-	-	(4,058)	36,511	849	168,760
Leasehold hotel properties	63,146	218	-	-	(1,619)	-	-	61,745
Freehold golf course	15,332	-	-	-	-	-	-	15,332
Freehold land	47,216	1	-	-	-	-	930	48,147
Long term leasehold land	11,843	-	-	-	(148)	-	-	11,695
Short term leasehold land	1,568	-	-	-	(32)	-	(266)	1,270
Buildings and improvements	41,555	89	-	-	(1,134)	17,674	(452)	57,732
Jetty and infrastructure	23,347	-	-	-	(585)	-	-	22,762
Plant, machinery and electrical installation	14,692	8,659	(123)	-	(4,962)	-	(443)	17,823
Motor vehicles and boats	2,518	1,293	-	-	(1,006)	-	(20)	2,785
Hotel furniture, fittings and equipment	20,367	3,046	(82)	(336)	(3,486)	2,141	167	21,817
Furniture, fittings and equipment	10,037	1,989	(117)	(112)	(2,703)	-	(10)	9,084
Computers	1,059	388	(3)	(10)	(408)	-	-	1,026
Construction-in-progress	46,473	10,100	-	-	-	(56,326)	-	247
	432,950	27,444	(325)	(458)	(20,141)	-	755	440,225

7. PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS (continued)

Group	At 30.6.2011 Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold hotel properties	186,304	(17,544)	168,760
Leasehold hotel properties	71,772	(10,027)	61,745
Freehold golf course	15,332	-	15,332
Freehold land	48,147	-	48,147
Long term leasehold land	12,979	(1,284)	11,695
Short term leasehold land	1,406	(136)	1,270
Buildings and improvements	67,177	(9,445)	57,732
Jetty and infrastructure	29,466	(6,704)	22,762
Plant, machinery and electrical installation	77,834	(60,011)	17,823
Motor vehicles and boats	9,218	(6,433)	2,785
Hotel furniture, fittings and equipment	70,516	(48,699)	21,817
Furniture, fittings and equipment	26,144	(17,060)	9,084
Computers	5,489	(4,463)	1,026
Construction-in-progress	247	-	247
	622,031	(181,806)	440,225

Company	Balance as at 1.7.2011 RM'000	Additions RM'000	Depreciation charge for the financial year RM'000	Reclassification RM'000	Balance as at 30.6.2012 RM'000
Carrying amount					
Computers	**149**	**31**	**(59)**	**50**	**171**
Furniture, fittings and equipment	**273**	**49**	**(39)**	**(50)**	**233**
Motor vehicles	**153**	**-**	**(80)**	**-**	**73**
	575	**80**	**(178)**	**-**	**477**

	At 30.6.2012 Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Computers	**616**	**(445)**	**171**
Furniture, fittings and equipment	**757**	**(524)**	**233**
Motor vehicles	**400**	**(327)**	**73**
	1,773	**(1,296)**	**477**

7. PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS (continued)

Company	Balance as at 1.7.2010 RM'000	Additions RM'000	Disposals RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2011 RM'000
Carrying amount					
Computers	167	31	-	(49)	149
Furniture, fittings and equipment	219	90	-	(36)	273
Motor vehicles	234	-	-	(81)	153
	620	121	-	(166)	575

	At 30.6.2011		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Computers	535	(386)	149
Furniture, fittings and equipment	764	(491)	273
Motor vehicles	400	(247)	153
	1,699	(1,124)	575

(a) The depreciation charge for the financial year is allocated as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Income statements	**17,964**	17,084	**178**	166
Amount due from customers for contract works (Note 16(c))	**3,007**	3,057	**-**	-
	20,971	20,141	**178**	166

7. PROPERTY, PLANT, EQUIPMENT AND BIOLOGICAL ASSETS (continued)

(b) Security

The freehold land and buildings of the Group with a carrying amount of RM19,175,000 (2011: RM22,006,000) have been pledged to banks for credit facilities granted to the Group and the Company (Note 23).

The freehold land with buildings classified as hotel properties of the Group with a carrying amount of RM178,289,000 (2011: RM181,221,000) have been pledged to banks for credit facilities granted to the Group and the Company (Note 23).

Other property, plant and equipment of the Group with a carrying amount of RM2,640,000 (2011: RM4,606,000) have been pledged to banks for credit facilities granted to the Group (Note 23).

(c) Interest capitalisation

Included in the Group's biological assets is an amount of interest expense of RM364,000 (2011: Nil), which is capitalised during the financial year at interest rates ranging from 0.32% to 5.30% (2011: Nil) per annum.

8. INTANGIBLE ASSETS

	Group	
	2012 RM'000	**2011 RM'000**
Goodwill		
Cost		
Balance as at 30 June	**6,615**	6,615
Less: Impairment loss		
Balance as at 1 July/Balance as at 30 June	**(2,047)**	(2,047)
Carrying amount	**4,568**	4,568

8. INTANGIBLE ASSETS (continued)

Impairment testing for cash-generating units containing goodwill

For the purpose of impairing testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	Group	
	2012	**2011**
	RM'000	**RM'000**
Manufacturing and trading	**2,183**	2,183
Hotel and leisure	**2,385**	2,385
	4,568	4,568

The recoverable amounts of the operating divisions have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period.

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit based on actual operating results and management's assessment of future trends in the respective industries derived from both external sources and internal sources (internal data) and based on the following key assumptions:

(i) Revenue is projected to grow at rates ranging from 5% to 10% over the next five years with gradual improvement in the pre-tax margin.

(ii) Pre-tax discount rate of 8% was applied to the cash flow projections. The discount rate was estimated based on the Group's weighted average cost of capital.

(iii) Terminal value representing the projected net assets of the operating divisions at the end of year five.

With regard to the assessment of value in use, the management is of the view that no reasonably possible change in any of the above key assumptions would cause the carrying amount of the goodwill to materially differ from its recoverable amount.

Based on the above computation, the recoverable amounts of each operating division are higher than the carrying amount of goodwill. Therefore, no additional impairment loss was recognised during the financial year.

9. INVESTMENT PROPERTIES

Group	Balance as at 1.7.2011 RM'000	Additions RM'000	Adjust-ments RM'000	Disposals RM'000	Write off RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2012 RM'000
Carrying amount							
Freehold land	**52,673**	**-**	**-**	**-**	**-**	**-**	**52,673**
Buildings	**98,405**	**134**	**57**	**-**	**-**	**(3,888)**	**94,708**
	151,078	**134**	**57**	**-**	**-**	**(3,888)**	**147,381**

	At 30.6.2012		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	**52,673**	**-**	**52,673**
Buildings	**105,454**	**(10,746)**	**94,708**
	158,127	**(10,746)**	**147,381**

Fair Value

At 30 June 2012	**267,149**

Group	Balance as at 1.7.2010 RM'000	Additions RM'000	Adjust-ments* RM'000	Disposals RM'000	Write off* RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2011 RM'000
Carrying amount							
Freehold land	55,458	-	-	(2,785)	-	-	52,673
Buildings	107,171	509	(2,487)	(1,866)	(710)	(4,212)	98,405
	162,629	509	(2,487)	(4,651)	(710)	(4,212)	151,078

* Adjustments due to over accrual for construction cost in prior year.

9. INVESTMENT PROPERTIES (continued)

	At 30.6.2011 Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	52,673	-	52,673
Buildings	105,264	(6,859)	98,405
	157,937	(6,859)	151,078

Fair Value

At 30 June 2011	259,274

Investment properties comprise a number of office cum commercial premise, supermarket premises, commercial and residential units that are leased to third parties. Each of the leases contains an initial non-cancellable period of one year except for the two units of supermarket premises and the office cum commercial premise which contain an initial non-cancellable period of six years and three years respectively. Subsequent renewals are negotiated with the lessee. No contingent rents are charged.

The fair value of the investment properties is estimated by Directors based on transaction prices for similar types of properties obtained from property agencies or available market information.

Investment properties of certain subsidiaries with a carrying value of RM142,952,000 (2011: RM146,603,000) are pledged to licensed financial institutions to secure banking facilities granted to the Company and certain subsidiaries (Note 23).

Direct operating expenses arising from investment properties during the financial year are as follow:

	Group 2012 RM'000	Group 2011 RM'000
Generating rental income		
Building insurance	**122**	116
Service charges	**46**	48
Quit rent and assessment	**1,306**	1,564
Security service	**408**	382
Maintenance	**790**	440
Utilities	**2,837**	2,263
Other expenses	**15**	11
	5,524	4,824

9. INVESTMENT PROPERTIES (continued)

	Group 2012 RM'000	Group 2011 RM'000
Non-generating rental income		
Quit rent and assessment	**20**	20
Security services	**-**	12
Building insurance	**-**	7
Other expenses	**1**	1
	21	40

10. INVESTMENTS IN SUBSIDIARIES

	Company 2012 RM'000	Company 2011 RM'000
Unquoted equity shares, at cost	**543,843**	532,193
Less: Impairment loss	**(11,824)**	(10,667)
	532,019	521,526

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Equity interest 2012 %	Equity interest 2011 %	Principal activities
Aco Built System Sdn. Bhd. (formerly known as PJD Malta Sdn. Bhd.)	Malaysia	**100**	100	Trading of building materials
Bindev Sdn. Bhd.	Malaysia	**100**	100	Property development
Bunga Development Sdn. Bhd. and its subsidiary	Malaysia	**100**	100	Property development
Kulai Management Services Sdn. Bhd.	Malaysia	**100**	100	Provision of property management services
DLHA Management Services Sdn. Bhd.	Malaysia	**100**	100	Investment holding
Eframe Sdn. Bhd.	Malaysia	**100**	100	Software consultancy, product development and maintenance

10. INVESTMENTS IN SUBSIDIARIES (continued)

Name of company	Country of incorporation	Equity interest 2012 %	Equity interest 2011 %	Principal activities
Eframe Solutions Sdn. Bhd.	Malaysia	**100**	100	Software consultancy, product development and maintenance
Harbour Place Management Services Sdn. Bhd.	Malaysia	**100**	100	Provision of property management services
HTR Management Services Sdn. Bhd.	Malaysia	**100**	100	Provision of property management services
Kota Mulia Sdn. Bhd. and its subsidiaries	Malaysia	**100**	100	Property development and investment
PJD Highland Resort Sdn. Bhd. (formerly known as Rose Villa Management Services Sdn. Bhd.)	Malaysia	**100**	100	Property development
PTC Management Services Sdn. Bhd.	Malaysia	**100**	100	Provision of property management services
OCC Cables Berhad and its subsidiaries	Malaysia	**100**	100	Investment holding
Olympic Cable Company Sdn. Bhd. and its subsidiary	Malaysia	**100**	100	Manufacturing and sale of cables and wires
Olympic Cable (Singapore) Pte. Ltd.** and its subsidiary	Singapore	**100**	100	Investment holding and trading of cable products
OVI Cables (Vietnam) Co., Ltd.*	Vietnam	**100**	100	Manufacturing and sale of cables and wires
PJ Exim Sdn. Bhd.	Malaysia	**100**	100	Trading of cable products
Olympic Properties Sdn. Bhd.	Malaysia	**100**	100	Property investment
Pengerang Jaya Pte. Ltd.* and its subsidiaries	Singapore	**100**	100	Investment holding
Pengerang Jaya Investment Pte. Ltd.**	Singapore	**100**	100	Investment holding
P.J. (A) Pty. Limited**	Australia	**100**	100	Investment holding and hotel business

10. INVESTMENTS IN SUBSIDIARIES (continued)

Name of company	Country of incorporation	Equity interest 2012 %	Equity interest 2011 %	Principal activities
PJ Equity Sdn. Bhd.	Malaysia	**100**	100	Investment holding
PJD Construction Sdn. Bhd. and its subsidiaries	Malaysia	**100**	100	Construction
PJDC International Sdn. Bhd. and its subsidiary	Malaysia	**100**	100	Investment holding
PJDCI Co., Ltd.* and its subsidiary	Thailand	**78.5**	78.5	Investment holding
PJDC Co., Ltd.*	Thailand	**88.5**	88.5	Construction
PJD Eastern Land Sdn. Bhd.	Malaysia	**100**	100	Property development and investment
PJD Hotels Sdn. Bhd. and its subsidiaries	Malaysia	**100**	100	Investment holding and hotel and restaurant business
Damai Laut Golf Resort Sdn. Bhd.	Malaysia	**99**	99	Development and investment in resort property, hotel and restaurant business and operation of golf course
MM Hotels Sdn. Bhd.	Malaysia	**100**	100	Hotel and restaurant business
Swiss-Garden Management Services Sdn. Bhd.	Malaysia	**100**	100	Hotel and restaurant business
PJD Land Sdn. Bhd.	Malaysia	**100**	100	Leasing of office cum commercial building
PJD Landmarks Sdn. Bhd.	Malaysia	**100**	100	Property development
PJD Management Services Sdn. Bhd.	Malaysia	**100**	100	Provision of property management and facilities services
PJD-MM2H Sdn. Bhd.	Malaysia	**100**	100	Licensed agent to handle applications for Malaysia My Second Home programme
PJD Pravest Sdn. Bhd.	Malaysia	**100**	100	Cultivation of oil palm
PJD Properties Management Sdn. Bhd.	Malaysia	**100**	100	Provision of project management services

10. INVESTMENTS IN SUBSIDIARIES (continued)

Name of company	Country of incorporation	Equity interest 2012 %	Equity interest 2011 %	Principal activities
PJD Realty Sdn. Bhd.	Malaysia	**100**	100	Property development
PJD Regency Sdn. Bhd.	Malaysia	**100**	100	Property development
PJD Sejahtera Sdn. Bhd.	Malaysia	**100**	100	Property development
PJDCP Malta Sdn. Bhd. and its subsidiaries	Malaysia	**100**	100	Manufacturing and sale of roofing tiles and concrete wall panels and trading of building materials
Acotec-Concrete Products Sdn. Bhd.	Malaysia	**100**	100	Property investment and rental services
PJD Concrete Land (JB) Sdn. Bhd.	Malaysia	**100**	100	Property investment
PJD Concrete Land (South) Sdn. Bhd.	Malaysia	**100**	100	Property investment
PKM Management Services Sdn. Bhd.	Malaysia	**100**	100	Provision of property management services
Putri Kulai Sdn. Bhd.	Malaysia	**100**	100	Property investment
Superville Sdn. Bhd.	Malaysia	**100**	100	Property development
Swiss-Garden International Vacation Club Berhad	Malaysia	**100**	100	Operation and management of timeshare membership scheme
Swiss-Garden Hotel Management Sdn. Bhd.	Malaysia	**100**	100	Hotel management and consultancy services
Swiss-Garden International Sdn. Bhd. and its subsidiaries	Malaysia	**100**	100	Hotel management and consultancy services
Swiss-Garden International Limited	British Virgin Islands	**100**	100	Hotel management and consultancy services
Swiss-Garden International Hotels & Resorts (Australia) Pty. Ltd.**	Australia	**100**	100	Hotel management and consultancy services
Swiss-Garden International Limited**	United Kingdom	**100**	100	Dormant

10. INVESTMENTS IN SUBSIDIARIES (continued)

Name of company	Country of incorporation	Equity interest 2012 %	2011 %	Principal activities
Swiss-Garden Rewards Sdn. Bhd. and its subsidiary	Malaysia	**100**	70	Marketing of timeshare memberships
Swiss-Garden Rewards (Singapore) Pte. Ltd.**	Singapore	**100**	70	Agent providing services to hotel companies

* Audited by member firms of BDO International.

** Not required to be audited and was consolidated using management financial statements.

On 21 October 2011, the Company acquired 150,000 ordinary shares of RM1.00 each in Swiss-Garden Rewards Sdn. Bhd. for a cash consideration of RM150,000, thereby increasing its equity interest from 70% to 100%.

On 20 January 2012, the Company subscribed for additional 4,000,000 and 7,500,000 ordinary shares of RM1.00 each in PJD Realty Sdn. Bhd. and PJD Eastern Land Sdn. Bhd. respectively, for a cash consideration of RM4,000,000 and RM7,500,000 respectively.

On 2 February 2012, a subsidiary, DLHA Management Services Sdn. Bhd. acquired 50% of the issued and paid-up ordinary share capital of Scotia Acres Sdn. Bhd., a company incorporated in Malaysia engaged in property investment, for a cash consideration of RM1.

An additional impairment loss on investment in a subsidiary, Aco Built System Sdn. Bhd. (formerly known as PJD Malta Sdn. Bhd.), amounting to RM1,157,000 had been recognised during the financial year due to declining business operations as a result of the transfer of its business operations to another subsidiary, PJDCP Malta Sdn. Bhd..

11. INVESTMENTS IN ASSOCIATES

	Group 2012 RM'000	2011 RM'000
Unquoted equity shares in Malaysia, at cost	**2**	2
Unquoted equity shares in overseas, at cost	**23,919**	23,919
	23,921	23,921
Share of post acquisition reserves, net of dividends received	**29,574**	29,082
	53,495	53,003

11. INVESTMENTS IN ASSOCIATES (continued)

The details of the associates are as follows:

Name of company	Country of incorporation	Group Equity interest 2012 %	Group Equity interest 2011 %	Principal activities
Sun-PJDC Sdn. Bhd. *	Malaysia	**50.00**	50.00	Securing and carrying out construction contracts
Equity & Property Investment Corporation Limited **	Australia	**27.40**	27.40	Property investment, property development and equity investment

* Equity accounted using management financial statements.

** Not audited by member firms of BDO International.

(a) The summarised financial information of the associates are as follows:

	Group 2012 RM'000	Group 2011 RM'000
Assets and liabilities		
Non-current assets	**124,043**	76,937
Current assets	**71,650**	122,883
Total assets	**195,693**	199,820
Current liabilities	**1,064**	6,401
Total liabilities	**1,064**	6,401
Results		
Revenue	**7,048**	9,154
Profit for the financial year	**5,013**	4,956

11. INVESTMENTS IN ASSOCIATES (continued)

(b) The Goup does not recognise its further share of losses of the associate, Sun-PJDC Sdn. Bhd., during the current and previous financial years as the carrying amount of this investment had been reduced to nil. The unrecognised results are as follows:

	Group 2012 RM'000	Group 2011 RM'000
Profit/(Loss) for the financial year	**6**	(*)
Accumulated losses	**5**	11

* Amount is less than RM1,000.

12. INVESTMENT IN A JOINTLY CONTROLLED ENTITY

	Group 2012 RM'000	Group 2011 RM'000
Results		
Unquoted equity shares, at cost	*****	-
Share of post acquisition reserves, net of dividends received	**1,228**	-
	1,228	-

* Amount is less than RM1,000.

The details of the jointly controlled entity are as follows:

Name of company	Country of incorporation	Equity interest 2012 %	Equity interest 2011 %	Principal activity
Scotia Acres Sdn. Bhd.	Malaysia	**50**	-	Property investment

12. INVESTMENT IN A JOINTLY CONTROLLED ENTITY (continued)

The Group's aggregate share of net assets, liabilities and income and expenses of the jointly controlled entity is as follows:

	2012 RM'000	2011 RM'000
Assets and liabilities		
Current assets	10,873	-
Non-current assets	39,353	-
Total assets	50,226	-
Current liabilities	48,921	-
Non-current liabilities	77	-
Total liabilities	48,998	-
Net assets	1,228	-
Results		
Revenue	147	-
Income	1,203	-
Expenses, including finance costs and tax expense	(122)	-
	1,228	-

13. OTHER INVESTMENTS

Group 2012	Carrying amount RM'000	Market value of quoted investments RM'000
Non-current		
Available-for-sale financial assets		
- Unquoted shares (within Malaysia)	669	-
- Quoted warrants (within Malaysia)	946	946
- Quoted shares (within Malaysia)	32,917	32,917
	34,532	33,863

13. OTHER INVESTMENTS (continued)

Group 2011	Carrying amount RM'000	Market value of quoted investments RM'000
Non-current		
Available-for-sale financial assets		
- Unquoted shares (within Malaysia)	612	-
- Quoted warrants (within Malaysia)	349	349
- Quoted shares (within Malaysia)	62,283	62,283
	63,244	62,632

In the previous financial year, certain quoted shares in Malaysia with a carrying amount of RM56,546,000 had been pledged to licensed financial institutions as security for banking facilities granted to the Company.

Certain quoted investments are investments in companies in which certain Directors and close members of their families have interests.

Information on the fair value hierarchy is disclosed in Note 36(e) to the financial statements.

14. LAND HELD FOR PROPERTY DEVELOPMENT

	Note	Group 2012 RM'000	Group 2011 RM'000
Carrying amount			
Opening balance		**166,896**	143,284
Additions		**40,859**	35,000
Translation adjustment		**54**	(57)
Transfer to property development costs	17	**(30,374)**	(11,331)
Transfer to property, plant and equipment	7	**(32,307)**	-
Closing balance		**145,128**	166,896
Representing:			
Land		**104,760**	139,221
Land development costs		**40,368**	27,675
		145,128	166,896

14. LAND HELD FOR PROPERTY DEVELOPMENT (continued)

Included in the land held for property development is the following charge incurred during the financial year:

	Group	
	2012	**2011**
	RM'000	**RM'000**
Interest expense	**2,524**	1,743

Interest is capitalised in land held for property development at rates ranging from 4.00% to 7.80% (2011: 4.00% to 7.80%) per annum.

Certain land held for property development with a carrying amount of RM86,337,000 (2011: RM35,158,000) have been pledged to licensed banks for banking facilities granted to certain subsidiaries (Note 23).

15. DEFERRED TAX

(a) The deferred tax assets and liabilities are made up of the following:

	Group	
	2012	**2011**
	RM'000	**RM'000**
Opening balance	**17,462**	14,974
Tax effect on adoption of FRS 139	**-**	(404)
Restated balance as at 1 July	**17,462**	14,570
Recognised in profit or loss (Note 30)	**4,612**	2,892
Closing balance	**22,074**	17,462
Presented after appropriate offsetting:		
Deferred tax assets, net	**(4,668)**	(5,333)
Deferred tax liabilities, net	**26,742**	22,795
	22,074	17,462

15. DEFERRED TAX (continued)

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities of the Group

	Property development costs RM'000	Property, plant and equipment RM'000	Set off of tax RM'000	Fair value adjustments RM'000	Total RM'000
At 1 July 2010	(6,787)	(18,793)	5,407	87	(20,086)
Recognised in profit or loss	-	(8,312)	5,780	(177)	(2,709)
At 30 June 2011	(6,787)	(27,105)	11,187	(90)	(22,795)
Recognised in profit or loss	-	(255)	(3,433)	(259)	(3,947)
At 30 June 2012	**(6,787)**	**(27,360)**	**7,754**	**(349)**	**(26,742)**

Deferred tax assets of the Group

	Allowances RM'000	Unused tax losses and unabsorbed capital allowances RM'000	Property, plant and equipment and investment properties RM'000	Property development costs and inventories RM'000	Set off of tax RM'000	Fair value adjustments RM'000	Total RM'000
At 1 July 2010	2,003	5,464	1,552	1,500	(5,407)	-	5,112
Tax effect on adoption of FRS 139	-	-	-	-	-	404	404
Balance as at 1 July 2010	2,003	5,464	1,552	1,500	(5,407)	404	5,516
Recognised in profit or loss	(1,070)	5,773	792	69	(5,780)	33	(183)
At 30 June 2011	933	11,237	2,344	1,569	(11,187)	437	5,333
Recognised in profit or loss	126	(4,195)	(514)	242	3,433	243	(665)
At 30 June 2012	**1,059**	**7,042**	**1,830**	**1,811**	**(7,754)**	**680**	**4,668**

15. DEFERRED TAX (continued)

(c) The amount of temporary differences for which no deferred tax asset has been recognised in the statement of financial position are as follows:

	Group	
	2012 RM'000	2011 RM'000
Deductible temporary differences	**18,697**	22,086
Taxable temporary differences	**(42,438)**	(40,861)
Unused tax losses		
- No expiry date	**40,749**	33,216
- Expire by 30 June 2013	**834**	798
- Expire by 30 June 2014	**992**	948
- Expire by 30 June 2015	**777**	966
Unabsorbed capital allowances	**63,338**	61,758
	82,949	78,911

Deferred tax assets of the subsidiaries have not been recognised in respect of these items as it is not probable that taxable profit of the subsidiaries will be available against which the deductible temporary differences can be utilised. The amount and the availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the local tax authority.

16. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Non-current					
Trade					
Third parties	a	**21,402**	19,062	**-**	-
Retention sum - third parties	b	**11,361**	2,712	**-**	-
		32,763	21,774	**-**	-
Current					
Trade					
Third parties	a	**165,377**	151,405	**-**	-
Accrued billings		**12,209**	27,380	**-**	-
Amount due from customers for contract works	c	**25,368**	19,373	**-**	-
Retention sum - third parties	b	**9,485**	12,667	**-**	-
		212,439	210,825	**-**	-
Less: Impairment loss					
- third parties		**(1,557)**	(3,115)	**-**	-
		210,882	207,710	**-**	-

16. TRADE AND OTHER RECEIVABLES (continued)

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Non-trade					
Jointly controlled entity	d	**11,988**	-	**-**	-
Subsidiaries	e	**-**	-	**185,341**	192,476
Other receivables	f	**10,676**	10,170	**305**	295
Deposits		**5,414**	5,156	**134**	126
Prepayments		**2,526**	2,235	**151**	151
		30,604	17,561	**185,931**	193,048
Less: Impairment loss					
- other receivables	g	**(962)**	(990)	**-**	-
		29,642	16,571	**185,931**	193,048
		240,524	224,281	**185,931**	193,048
Total trade and other receivables	h	**273,287**	246,055	**185,931**	193,048

(a) Trade receivables are non-interest bearing and the normal credit terms granted by the Group range from 30 to 90 days (2011: 30 to 90 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade receivables of the Group include timeshare membership fees amounting RM41,678,000 (2011: RM41,035,000) receivable from customers via monthly instalments ranging from 12 to 60 months (2011: 12 to 60 months).

Included in trade receivables of the Group are amounts owing by companies in which certain Directors have interest totalling RM2,781,000 (2011: RM2,161,000).

(b) The retention sums are unsecured, interest-free and are expected to be collected as follows:

	Group 2012 RM'000	Group 2011 RM'000
Within 1 year	**9,485**	12,667
1 - 2 years	**4,141**	-
2 - 3 years	**7,220**	2,018
3 - 4 years	**-**	694
	20,846	15,379

16. TRADE AND OTHER RECEIVABLES (continued)

(c) Amount due from customers for contract works are as follows:

		Group	
	Note	2012 RM'000	2011 RM'000
Aggregate costs incurred to date		**846,670**	1,025,394
Add: Attributable profits		**51,508**	51,057
		898,178	1,076,451
Less: Progress billings		**(878,960)**	(1,074,988)
		19,218	1,463
Amount due to customers for contract works	22	**6,150**	17,910
		25,368	19,373

Addition to aggregate costs incurred during the financial year include:

	Note	2012 RM'000	2011 RM'000
Staff costs	33	**3,976**	3,667
Depreciation	7(a)	**3,007**	3,057

(d) Amount owing by a joint controlled entity is in respect of advances and payments made on behalf, which are unsecured, interest-free and payable upon demand in cash and cash equivalents.

(e) Amounts owing by subsidiaries are in respect of advances and payments made on behalf, which are unsecured, interest-free and payable upon demand in cash and cash equivalents except for RM184,459,000 (2011: RM191,885,000), which is subject to interest at 0.32% (2011: 0.44%) per annum.

(f) Included in other receivables of the Group are advances to and payments made on behalf of subcontractors amounting to RM457,000 (2011: RM465,000), which are unsecured, interest-free and repayable on demand in cash and cash equivalents.

(g) Bad debts in respect of other receivables amounting to RM2,000 (2011: RM697,000) have been written off against impairment loss.

16. TRADE AND OTHER RECEIVABLES (continued)

(h) The currency exposure profile of receivables is as follows:

	Group		Company	
	2012 RM'000	**2011 RM'000**	**2012 RM'000**	**2011 RM'000**
Ringgit Malaysia	**262,522**	232,303	**185,931**	193,048
Thai Baht	**7,630**	9,286	**-**	-
Australian Dollar	**299**	383	**-**	-
Singapore Dollar	**1,919**	708	**-**	-
United States ('US') Dollar	**85**	897	**-**	-
Vietnam Dong	**832**	2,370	**-**	-
Euro	**-**	108	**-**	-
	273,287	246,055	**185,931**	193,048

(i) The ageing analysis of trade receivables of the Group is as follows:

	Group	
	2012 RM'000	**2011 RM'000**
Neither past due nor impaired	**212,608**	211,289
Past due, not impaired		
0 to 30 days	**15,854**	11,846
31 to 60 days	**9,077**	1,562
61 to 90 days	**803**	1,053
91 to 120 days	**836**	3,630
More than 120 days	**4,467**	104
	31,037	18,195
Past due and impaired	**1,557**	3,115
	245,202	232,599

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. These customers had maintained long working relationship with the Group and there is no indication as of the reporting date that the debtors will not meet their payment obligations.

None of the trade receivables of the Group that are neither past due nor impaired have been renegotiated during the financial year.

16. TRADE AND OTHER RECEIVABLES (continued)

(i) The ageing analysis of trade receivables of the Group is as follows (continued):

Receivables that are past due but not impaired

Owing to the reason that no loss event had occurred to these receivables, such as significant financial difficulties, no impairment was made in respect of these past due trade receivables. These receivables are unsecured in nature.

Receivables that are past due and impaired

Trade receivables of the Group that are past due and impaired at the end of the reporting period are as follows:

	Individually impaired	
Group	**2012 RM'000**	**2011 RM'000**
Trade receivables, gross	**1,557**	3,115
Less: Impairment loss	**(1,557)**	(3,115)
	-	-

The reconciliation of movement in the impairment loss on trade receivables are as follows:

	Group	
	2012 RM'000	**2011 RM'000**
At 1 July 2011/2010	**3,115**	6,654
Charge for the financial year	**385**	1,067
Written off	**(1,663)**	(2)
Reversal of impairment loss	**(280)**	(4,604)
At 30 June 2012/2011	**1,557**	3,115

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

17. PROPERTY DEVELOPMENT COSTS

	Note	Group 2012 RM'000	Group 2011 RM'000
Opening balance			
Land		**88,761**	91,266
Development costs		**404,187**	376,861
Accumulated costs charged to profit or loss		**(333,124)**	(311,499)
		159,824	156,628
Transfer from land held for property development	14	**30,374**	11,331
Transfer to completed properties held for sale		**-**	(1,338)
Acquisition of land		**34,958**	-
Development costs incurred during the year		**108,873**	142,622
Reversal of accrued development costs		**(3,066)**	-
Cost charged to profit or loss		**(112,072)**	(149,419)
Completed developments			
- Reversal of land and development costs		**(13,261)**	(144,031)
- Reversal of costs charged to profit or loss		**13,261**	144,031
		59,067	3,196
Closing balance		**218,891**	159,824
Represented by:			
Land		**151,104**	88,761
Development costs		**499,722**	404,187
Accumulated costs charged to profit or loss		**(431,935)**	(333,124)
		218,891	159,824

Included in the property development costs is the following charge incurred during the financial year:

	Group 2012 RM'000	Group 2011 RM'000
Interest expense	**5,153**	3,880

Interest is capitalised in property development costs at rates ranging from 0.32% to 7.80% (2011: 0.44% to 5.30%) per annum.

The portion of property development costs where significant development work has been undertaken and which is expected to be completed within the normal operating cycle is considered as a current asset.

Certain land under development with a carrying amount of RM107,663,000 (2011: RM164,534,000) have been pledged to licensed banks for banking facilities granted to certain subsidiaries (Note 23).

18. INVENTORIES

	Group 2012 RM'000	Group 2011 RM'000
At cost		
Completed properties held for sale	**614**	10,175
Raw materials	**5,777**	6,943
Consumables	**2,223**	2,170
Work-in-progress	**4,337**	7,624
Finished goods	**17,605**	9,829
	30,556	36,741
At net realisable value		
Completed properties held for sale	**1,091**	1,879
Raw materials	**451**	390
Work-in-progress	**18**	-
Finished goods	**3,298**	2,445
	4,858	4,714
	35,414	41,455

During the financial year, inventories of the Group recognised as cost of sales amounted to RM164,007,000 (2011: RM133,975,000) while the write down of inventories to their net realisable value amounted to RM2,571,000 (2011: RM1,325,000).

19. CASH AND CASH EQUIVALENTS

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Cash and bank balances	a	**53,594**	28,387	**823**	516
Deposits with licensed banks	b	**42,011**	40,903	**-**	-
Per statements of financial position	c	**95,605**	69,290	**823**	516
Bank overdrafts included in borrowings	23	**(4,977)**	(10,329)	**-**	(859)
Deposits pledged as securities	b	**(2,015)**	(6,550)	**-**	-
Per statements of cash flows		**88,613**	52,411	**823**	(343)

19. CASH AND CASH EQUIVALENTS (continued)

(a) Included in the Group's cash and bank balances is an amount of RM33,706,000 (2011: RM15,511,000) held under Housing Development Account maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966. The utilisation of this balance is restricted. Before completion of the housing development and fulfilling all relevant obligations to the purchasers, the cash can only be withdrawn from such account for the purpose of completing the particular projects concerned.

Included in the Housing Development Account is an amount of RM961,000 (2011: RM3,434,000) assigned for banking facilities granted to certain subsidiaries.

(b) Included in deposits placed with licensed banks is an amount of RM2,015,000 (2011: RM6,550,000) pledged for bank facilities granted to certain subsidiaries (Note 23).

(c) The currency exposure profile of cash and bank balances and deposits with licensed banks is as follows:

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Ringgit Malaysia	**56,876**	27,351	**823**	516
Australian Dollar	**33,007**	32,330	**-**	-
Thai Baht	**2,282**	7,752	**-**	-
Vietnam Dong	**3,347**	1,622	**-**	-
US Dollar	**38**	184	**-**	-
Singapore Dollar	**55**	51	**-**	-
	95,605	69,290	**823**	516

20. SHARE CAPITAL AND TREASURY SHARES

	Group and Company			
	2012		**2011**	
	RM'000	**Number of shares '000**	**RM'000**	**Number of shares '000**
Ordinary shares of RM1.00 each:				
Authorised	**1,000,000**	**1,000,000**	1,000,000	1,000,000
Issued and fully paid:				
Balance as at 1 July 2011/2010	**456,134**	**456,134**	456,132	456,132
Issued for cash pursuant to exercise of 2000/2010 Warrants B	**-**	**-**	2	2
Balance as at 30 June 2012/2011	**456,134**	**456,134**	456,134	456,134

20. SHARE CAPITAL AND TREASURY SHARES (continued)

In the previous financial year, the issued and paid-up share capital of the Company was increased from RM456,132,000 to RM456,134,000 following the issuance of 1,333 new ordinary shares of RM1.00 each pursuant to the exercise of 1,333 2000/2010 Warrants B.

The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share at meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

(a) Treasury shares

The shareholders of the Company, by an ordinary resolution passed in the annual general meeting held on 23 November 2005, approved the Company's proposal to repurchase up to 10% of its own shares ('Share Buy Back'). The authority granted by the shareholders was subsequently renewed during each subsequent annual general meeting. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back is the best interest for the Company and its shareholders.

No share was repurchased from the open market by the Company during the financial year.

Of the total 456,134,000 (2011: 456,134,000) issued and fully paid ordinary shares of RM1.00 each as at 30 June 2012, there are 475,000 (2011: 475,000) ordinary shares of RM1.00 each with a cumulative total consideration amounting to RM266,000 (2011: RM266,000) held as treasury shares by the Company. The number of outstanding shares in issue after the share buy-back is 455,659,000 (2011: 455,659,000) ordinary shares of RM1.00 each as at 30 June 2012.

(b) Warrants C

A total of 213,811,972 2010/2020 Warrants C were issued on 6 December 2010 pursuant to the completion of the following corporate exercises:

(i) the renounceable rights issue of 171,049,635 new warrants in the Company ('Warrant(s) C') to all the shareholders of the Company on the basis of three (3) Warrants C for every eight (8) existing ordinary shares of RM1.00 each held on 10 November 2010 at an issue price of RM0.02 per Warrant C, and

(ii) the restricted issue of 42,762,337 Warrants C in the Company to the holders of unexercised 2000/2010 Warrants B on 29 October 2010, being the expiry date of Warrants B ('Expiry Date') on the basis of three (3) Warrants C for every eight (8) unexercised 2000/2010 Warrants B held on the Expiry Date at an issue price of RM0.02 per Warrant C.

The exercise price of each Warrant C shall be RM1.00 per ordinary share or such adjusted price as may for the time being be applicable subject to the Deed Poll dated 20 October 2010. The exercise period shall commence from the date of issue of the Warrants and will expire on 5 December 2020 at 5.00 p.m..

As at 30 June 2012, 213,811,972 Warrants C have yet to be converted to ordinary shares.

21. RESERVES

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Non-distributable:					
Share premium	a	**39,774**	39,774	**39,774**	39,774
Warrant reserve	b	**4,276**	4,276	**4,276**	4,276
Available-for-sale reserve	c	**3,708**	12,791	**-**	-
Exchange translation reserve	d	**2,706**	2,832	**-**	-
		50,464	59,673	**44,050**	44,050
Distributable:					
Retained earnings	e	**414,011**	379,033	**56,690**	67,895
		464,475	438,706	**100,740**	111,945

(a) Share premium

The share premium is arrived at after accounting for the premium received less expenses over the nominal value of shares issued to the public, less the subsequent capitalisation for bonus issue of the Company.

(b) Warrant reserve

Warrant reserve represents the proceeds from the issuance of Warrant C which is non-distributable. The warrant reserve is transferred to the share premium account upon the exercise of warrants and the warrant reserve in relation to the unexercised warrants at the expiry of the warrants will be transferred to retained earnings.

(c) Available-for-sale reserve

Available-for-sale reserve represents the cumulative fair value changes of available-for-sale financial assets until they are disposed of or impaired.

(d) Exchange translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(e) Retained earnings

Effective 1 January 2008, the Company is given the option to make an irrevocable election to move to a single tier system or continue to use its tax credit under Section 108 of the Income Tax Act 1967 for the purpose of dividend distribution until the tax credit is fully utilised or latest by 31 December 2013.

The Company has decided not to make this election and has sufficient tax credit under Section 108 of the Income Tax Act, 1967 and balance in the tax exempt account to frank the payment of dividends out of its entire retained earnings without incurring additional tax liabilities. Upon full utilisation of tax credit under Section 108 of the Income Tax Act, 1967, the Company will move to a single tier system.

22. TRADE AND OTHER PAYABLES

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Non-current					
Trade					
Retention sum					
- third parties	a	**6,382**	6,854	**-**	-
Current					
Trade					
Third parties	b	**69,189**	47,687	**-**	-
Progress billings in respect of property development		**-**	15,789	**-**	-
Amount due to customers for contract works	16(c)	**6,150**	17,910	**-**	-
Retention sum					
- third parties	a	**19,481**	20,028	**-**	-
		94,820	101,414	**-**	-
Non-trade					
Subsidiaries	c	**-**	-	**165,996**	143,182
Other payables	d	**17,182**	20,148	**103**	953
Accruals		**54,415**	54,618	**445**	419
Deposits received		**2,498**	-	**-**	-
		74,095	74,766	**166,544**	144,554
		168,915	176,180	**166,544**	144,554
Total trade and other payables	e	**175,297**	183,034	**166,544**	144,554

22. TRADE AND OTHER PAYABLES (continued)

(a) The retention sums are unsecured, interest-free and are expected to be payable as follows:

	Group	
	2012	**2011**
	RM'000	**RM'000**
Within 1 year	**19,481**	20,028
1 - 2 years	**2,414**	5,677
2 - 3 years	**3,852**	894
3 - 4 years	**116**	283
	25,863	26,882

(b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2011: 30 to 90 days).

(c) Amount owing to subsidiaries is in respect of advances and payments made on behalf by the subsidiaries, which are unsecured, interest-free and payable upon demand in cash and cash equivalents, except for RM24,867,000 (2011: RM29,714,000), which is subject to interest rates of 4.00% (2011: 4.00% to 7.60%) per annum.

(d) Other payables include enrolment fees payable to Interval International Inc. of RM2,796,000 (2011: RM2,945,000) to activate the exchange facility granted to timeshare members, which allows them to exchange their holiday accommodation through the exchange network.

(e) The currency exposure profile of payables is as follows:

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Ringgit Malaysia	**173,007**	176,341	**166,544**	144,554
Thai Baht	**895**	5,939	**-**	-
US Dollar	**613**	103	**-**	-
Vietnam Dong	**557**	431	**-**	-
Australian Dollar	**185**	160	**-**	-
Singapore Dollar	**29**	47	**-**	-
Euro	**11**	13	**-**	-
	175,297	183,034	**166,544**	144,554

23. BORROWINGS

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Non-current					
Secured term loans		**230,442**	198,886	**368**	3,747
Unsecured term loans		**480**	1,441	**-**	-
		230,922	200,327	**368**	3,747
Current					
Secured term loans		**37,106**	36,997	**3,379**	4,077
Unsecured term loans		**1,018**	2,073	**-**	-
Secured bank overdrafts	19	**782**	4,829	**-**	-
Unsecured bank overdrafts	19	**4,195**	5,500	**-**	859
Secured bankers' acceptances		**2,132**	-	**-**	-
Unsecured bankers' acceptances		**16,937**	11,045	**-**	-
Secured revolving credits		**48,200**	2,200	**-**	-
Unsecured revolving credits		**3,800**	3,800	**-**	-
		114,170	66,444	**3,379**	4,936
		345,092	266,771	**3,747**	8,683
Total borrowings					
Secured term loans		**267,548**	235,883	**3,747**	7,824
Unsecured term loans		**1,498**	3,514	**-**	-
Secured bank overdrafts	19	**782**	4,829	**-**	-
Unsecured bank overdrafts	19	**4,195**	5,500	**-**	859
Secured bankers' acceptances		**2,132**	-	**-**	-
Unsecured bankers' acceptances		**16,937**	11,045	**-**	-
Secured revolving credits		**48,200**	2,200	**-**	-
Unsecured revolving credits		**3,800**	3,800	**-**	-
		345,092	266,771	**3,747**	8,683

23. BORROWINGS (continued)

(a) The borrowings are repayable over the following periods:

Group	Year of maturity	Carrying amount RM'000	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000
2012						
Secured term loans	2024	**267,548**	**37,106**	**71,962**	**80,565**	**77,915**
Unsecured term loans	2014	**1,498**	**1,018**	**480**	**-**	**-**
Secured bank overdrafts	2013	**782**	**782**	**-**	**-**	**-**
Unsecured bank overdrafts	2013	**4,195**	**4,195**	**-**	**-**	**-**
Secured bankers' acceptances	2013	**2,132**	**2,132**	**-**	**-**	**-**
Unsecured bankers' acceptances	2013	**16,937**	**16,937**	**-**	**-**	**-**
Secured revolving credits	2013	**48,200**	**48,200**	**-**	**-**	**-**
Unsecured revolving credits	2013	**3,800**	**3,800**	**-**	**-**	**-**
		345,092	**114,170**	**72,442**	**80,565**	**77,915**
2011						
Secured term loans	2024	235,883	36,997	36,753	67,679	94,454
Unsecured term loans	2014	3,514	2,073	987	454	-
Secured bank overdrafts	2012	4,829	4,829	-	-	-
Unsecured bank overdrafts	2012	5,500	5,500	-	-	-
Unsecured bankers' acceptances	2012	11,045	11,045	-	-	-
Secured revolving credits	2012	2,200	2,200	-	-	-
Unsecured revolving credits	2012	3,800	3,800	-	-	-
		266,771	66,444	37,740	68,133	94,454
Company						
2012						
Secured term loans	2014	**3,747**	**3,379**	**368**	**-**	**-**
2011						
Secured term loans	2014	7,824	4,077	3,379	368	-
Unsecured bank overdraft	2012	859	859	-	-	-
		8,683	4,936	3,379	368	-

23. BORROWINGS (continued)

(b) The currency exposure profile of borrowings is as follows:

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Ringgit Malaysia	**344,036**	265,226	**3,747**	8,683
US Dollar	**1,056**	1,545	**-**	-
	345,092	266,771	**3,747**	8,683

(c) The borrowings of the Company are secured by way of charges over certain subsidiaries' hotel properties and freehold land and buildings (Note 7) and investment properties (Note 9).

The borrowings of subsidiaries are secured by way of charges over certain subsidiaries' freehold land and buildings, hotel properties, other property, plant and equipment (Note 7), investment properties (Note 9), land held for property development (Note 14), property development costs (Note 17) and deposits placed with licensed banks (Note 19). The borrowings are also guaranteed by the Company.

(d) In connection with the term loan agreements, the Company and certain subsidiaries have agreed to certain significant covenants, subject to the consent of the lenders, which include the following:

(i) not to amend the Memorandum and Articles of Association in a manner inconsistent with the provisions of the lenders' Letters of Offer;
(ii) not to sell, lease or transfer all or any substantial part of its assets;
(iii) not to allow any change in its existing shareholders or their shareholdings and/or undertake a scheme or merger or amalgamation;
(iv) not to decrease the authorised or issued share capital; and
(v) not to enter into any partnership, profit-sharing or royalty agreements whereby income or profits may be shared with other persons.

24. DEFERRED INCOME

	Group	
	2012	**2011**
	RM'000	**RM'000**
Non-current		
Membership fees	**39,996**	38,140
Current		
Membership fees	**2,187**	2,105
Maintenance fees	**96**	95
Others	**79**	-
	2,362	2,200

Deferred income mainly represent membership fees received and receivable from members which are recognised based on the benefit to be enjoyed over the membership period.

25. COMMITMENTS

(a) Operating leases commitments

(i) The Group as lessee

The Group had entered into non-cancellable operating lease arrangements for office lots under operating leases for a term of one to three years, with an option to renew the leases. None of the leases include contingent rentals. The Group and the Company have aggregate future minimum lease commitments as at the end of the reporting period as follows:

	Group		Company	
	2012 RM'000	**2011 RM'000**	**2012 RM'000**	**2011 RM'000**
Less than one year	**1,217**	1,219	**23**	18
Between one and five years	**564**	1,420	**4**	27
	1,781	2,639	**27**	45

(ii) The Group as lessor

The Group had entered into non-cancellable lease arrangements on certain investment properties. The Group has future minimum lease receivables aggregate as at end of the reporting period as follows:

	Group	
	2012 RM'000	**2011 RM'000**
Less than one year	**8,225**	20,982
Between one and five years	**5,825**	12,008
Later than five years	**34,954**	36,385
	49,004	69,375

(b) Capital commitments

	Group	
	2012 RM'000	**2011 RM'000**
Contracted but not provided for		
- property, plant and equipment	**7,659**	4,463
- land held for property development	**-**	3,150
	7,659	7,613

26. CONTINGENCIES

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

	Company	
	2012	**2011**
	RM'000	**RM'000**
Guarantees		
Corporate guarantees given to financial institutions relating to banking facilities of subsidiaries	**641,572**	530,548
Corporate guarantees given to third parties relating to credit facilities granted to subsidiaries	**23,200**	23,200
	664,772	553,748

Contingent assets/liabilities not considered remote

Litigations

(a) Swiss-Garden International Vacation Club Berhad vs Swiss Marketing Corporation Sdn. Bhd.

Swiss-Garden International Vacation Club Berhad ('SGIVCB'), a wholly owned subsidiary of the Company had initiated a civil suit against an external agent, Swiss Marketing Corporation Sdn Bhd ('Agent').

The civil suit taken by SGIVCB against the Agent was in respect of the wrongful repudiation of the Marketing Agreement entered into by the parties on 2 July 2001, which resulted in SGIVCB having suffered, amongst others, loss and damage amounting to RM5,280,000. In this civil suit, the Agent had filed a counter claim against SGIVCB claiming for its marketing fee, electricity and rental charges pursuant to the Marketing Agreement amounting to RM21,132,000, interests and costs.

After a series of court hearings, on 27 August 2010, the High Court allowed SGIVCB's claim against the Agent and ordered the Agent to pay damages amounting to RM5,232,000, damages for the loss of use of promotion materials amounting to RM48,000, 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.

At the same time, the High Court also allowed the Agent's claim for marketing fee, rental arrears amounting to RM1,840 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 the SGIVCB.

The Agent appealed against the High Court's decision on 27 August 2010 ('Agent's Appeal'). The High Court appointed a qualified accountant for the assessment of the marketing fee on 3 September 2010.

On 17 November 2011, the High Court ordered that the Agent's claim for the marketing fee be allowed at RM7,880,000 with interest at the rate of 4% per annum from 22 August 2009 until full settlement. SGIVCB appealed to the Court of Appeal against the High Court's award ('SGIVCB's Appeal').

26. CONTINGENCIES (continued)

Contingent assets/liabilities not considered remote (continued)

Litigations (continued)

(a) Swiss-Garden International Vacation Club Berhad vs Swiss Marketing Corporation Sdn. Bhd. (continued)

On 30 April 2012, the Court of Appeal allowed SGIVCB's Appeal and set aside the High Court's award given on 17 November 2011. The Court of Appeal further ordered that the amount of the marketing fee due to the Agent be remitted to the High Court for re-determination. On 20 September 2012, the High Court directed SGIVCB and the Agent to file their respective submissions and fixed the decision on 31 October 2012.

On 16 October 2012, the Court of Appeal dismissed the Agent's Appeal with costs of RM10,000 to be paid to SGIVCB.

The Board of Directors are of the opinion that, after taking into consideration the damages of RM5,280,000 and the damages for misrepresentation and loss of goodwill together with the accrued interests awarded by the High Court to SGIVCB, the decision of the Agent's claim by the High Court will not have a material impact on the financial statements of the Group.

(b) 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 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 ('JVA') 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 then initiated a civil suit against Pravest, seeking to enforce the purported JVA ('Suit'). The Plaintiffs in the same Suit, also claimed, among others, for (i) an order for permanent injunction prohibiting Pravest and/or its directors and/or agents from leasing or selling or from dealing with the Land in any way until the expiry of the lease, (ii) an order for permanent injunction prohibiting Pravest or its workers or agents from entering the Land or interfering or stop or attempt to stop the Plaintiffs from cultivating the Land and (iii) an order for specific performance that Pravest comply with the terms and conditions of the JVA.

On 14 September 2011, the Plaintiffs filed an interlocutory application for an interim injunction, until the 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 to vary the Injunction Order, allowing inter alia, Pravest to take necessary steps to maintain the infrastructures built and oil palm seedlings that have been planted on the land.

26. CONTINGENCIES (continued)

Contingent assets/liabilities not considered remote (continued)

Litigations (continued)

(b) Karisma Sempurna Sdn. Bhd., Koperasi Perumahan Kluang Berhad and Wonderful Mineral Resources Sdn. Bhd. vs PJD Pravest Sdn. Bhd. (continued)

The full trial for the Suit commenced on 2 April 2012 and was subsequently adjourned to a date to be fixed. The High Court has now fixed the case for case management on 22 October 2012 in order to fix a new trial date.

The Board of Directors is of the opinion that, after taking into consideration that Pravest as the owner of Land had never entered into any JVA with the Plaintiffs whereby police reports against the trespass on the Land and the involvement in the JVA had been made, the decision of the High Court will not have a material impact on the financial statements of the Group.

27. REVENUE

	Group		Company	
	2012 RM'000	**2011 RM'000**	**2012 RM'000**	**2011 RM'000**
Sale of goods	**218,828**	187,650	**-**	-
Property development revenue	**162,834**	215,693	**-**	-
Services rendered	**129,988**	106,614	**3,300**	3,300
Contract revenue	**125,622**	78,366	**-**	-
Dividend income				
- subsidiaries	**-**	-	**20,000**	20,000
- other investments	**1,620**	2,940	**-**	-
	638,892	591,263	**23,300**	23,300

28. COST OF SALES AND SERVICES

	Group		Company	
	2012 RM'000	**2011 RM'000**	**2012 RM'000**	**2011 RM'000**
Inventories sold	**171,109**	141,205	**-**	-
Property development costs	**127,640**	159,617	**-**	-
Services rendered	**59,800**	49,685	**10,587**	9,014
Contract works	**108,717**	57,164	**-**	-
	467,266	407,671	**10,587**	9,014

29. PROFIT BEFORE TAX

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Profit before tax is arrived at after charging:					
Auditors' remuneration:					
- statutory audit					
- current year		**399**	383	**43**	43
- under provision in prior years		**4**	18	**-**	9
- other services		**30**	48	**16**	46
Bad debts written off		**20**	20	**-**	-
Compensation to purchasers		**-**	30	**-**	-
Depreciation on:					
- investment properties	9	**3,888**	4,212	**-**	-
- property, plant and equipment	7	**17,964**	17,084	**178**	166
Directors' remuneration:					
- salaries and other emoluments		**7,212**	5,923	**5,922**	4,558
- fees		**105**	93	**105**	93
Impairment loss on:					
- investments in subsidiaries	10	**-**	-	**1,157**	2,192
- trade and other receivables		**396**	1,077	**-**	-
Interest expense on:					
- bank overdrafts		**332**	270	**80**	98
- bankers' acceptances		**451**	91	**-**	-
- revolving credits		**331**	2,515	**-**	357
- term loans		**6,605**	6,968	**415**	687
- subsidiaries		**-**	-	**1,092**	1,080
- others		**-**	41	**-**	-
Inventories written down	18	**2,571**	1,325	**-**	-
Inventories written off		**62**	54	**-**	-
Liquidated and ascertained damages expenses		**46**	2,914	**-**	-
Investment properties written off	9	**-**	710	**-**	-
Property, plant and equipment written off	7	**624**	458	**-**	-
Rental expense on land and buildings		**2,216**	2,928	**23**	35
Rental of equipment		**522**	308	**-**	-
Replacement cost for operating equipment		**721**	536	**-**	-
Research and development expensed as incurred		**5,237**	4,997	**-**	-
Realised loss on foreign exchange		**51**	223	**-**	-
Unrealised loss on foreign exchange		**114**	1,079	**-**	-

29. PROFIT BEFORE TAX (continued)

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
And crediting:					
Bad debts recovered		**26**	-	**-**	-
Gross dividends received from:					
- shares quoted in Malaysia		**1,585**	2,763	**-**	-
- subsidiaries	27	**-**	-	**20,000**	20,000
- unquoted shares		**35**	177	**-**	-
Gain on disposal of:					
- investment properties		**-**	2,013	**-**	-
- property, plant and equipment		**244**	479	**-**	-
- other investments		**11,498**	1,092	**-**	-
Interest accretion of trade receivables		**1,036**	705	**-**	-
Interest income received from:					
- fixed deposits		**2,037**	1,769	**-**	-
- housing development accounts		**445**	698	**-**	-
- subsidiaries		**-**	-	**607**	836
- others		**475**	629	**-**	33
Realised gain on foreign exchange		**19**	64	**-**	-
Rental income from land and buildings		**25,379**	26,658	**-**	-
Reversal of impairment loss on trade and other receivables		**336**	4,609	**-**	-
Reversal of inventories previously written off		**-**	47	**-**	-

The estimated monetary value of the benefits-in-kind received by the Directors otherwise than in cash from the Group and the Company amounted to RM129,000 and RM37,000 (2011: RM125,000 and RM33,000) respectively.

30. TAX EXPENSE

	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Current tax expense based on profit for the financial year:				
Malaysian income tax	**11,688**	21,244	**2,713**	2,996
Foreign income tax	**956**	1,508	**-**	-
	12,644	22,752	**2,713**	2,996
(Over)/Under provision in prior years:				
Malaysian income tax	**(285)**	(1,241)	**23**	(25)
Foreign income tax	**7**	(10)	**-**	-
	12,366	21,501	**2,736**	2,971

30. TAX EXPENSE (continued)

	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Deferred tax (Note 15):				
Relating to origination and reversal of temporary differences	**4,755**	2,440	**-**	-
(Over)/Under provision in prior years	**(143)**	452	**-**	-
	4,612	2,892	**-**	-
	16,978	24,393	**2,736**	2,971

The Malaysian income tax is calculated at the statutory tax rate of 25% (2011: 25%) of the estimated taxable profits for the fiscal year.

Tax expense for foreign subsidiaries are calculated at the rates prevailing in those respective jurisdictions.

The numerical reconciliation between the applicable tax expense and the effective tax expense of the Group and of the Company are as follows:

	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Tax at Malaysian statutory tax rate of 25% (2011: 25%)	**17,261**	19,966	**2,154**	2,012
Tax effect in respect of:				
Non-allowable expenses	**3,594**	6,254	**559**	984
Non-taxable income	**(4,269)**	(352)	**-**	-
Utilisation of previously unrecognised deferred tax assets	**(962)**	(393)	**-**	-
Deferred tax assets not recognised during the year	**1,972**	766	**-**	-
Tax incentives and allowances	**(1)**	(708)	**-**	-
Share of post tax results of associates	**(247)**	(309)	**-**	-
Effect of different tax rate in foreign jurisdiction	**52**	(32)	**-**	-
	17,400	25,192	**2,713**	2,996
(Over)/Under provision of income tax expense in prior years	**(279)**	(1,251)	**23**	(25)
(Over)/Under provision of deferred tax in prior years	**(143)**	452	**-**	-
	16,978	24,393	**2,736**	2,971

30. TAX EXPENSE (continued)

Tax savings of the Group are as follows:

	Group 2012 RM'000	Group 2011 RM'000
Arising from utilisation of previously unrecognised capital allowances	**50**	23
Arising from utilisation of previously unrecognised tax losses	**61**	149
Arising from utilisation of previously unrecognised deductible temporary differences	**851**	221

31. EARNINGS PER ORDINARY SHARE

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year, after taking into consideration of treasury shares held by the parent.

	Group 2012	Group 2011
Profit attributable to equity holders of the parent (RM'000)	**52,282**	56,988
Weighted average number of ordinary shares in issue (in '000)	**456,134**	456,134
Weighted average number of treasury shares held (in '000)	**(475)**	(475)
Adjusted weighted average number of ordinary shares applicable to basic earnings per share (in '000)	**455,659**	455,659
Basic earnings per share (sen)	**11.47**	12.51

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

The diluted earnings per share is not shown as the exercise price of warrants is higher than the market price of the ordinary shares as at the end of the reporting period.

32. DIVIDENDS

	Group and Company			
	2012		2011	
	Gross dividend per share Sen	Amount of dividend net of tax RM'000	Gross dividend per share Sen	Amount of dividend net of tax RM'000
First and final dividend paid				
- year ended 30 June 2011	**5**	**17,087**	-	-
- year ended 30 June 2010	**-**	**-**	5	17,087

The first and final dividend in respect of the financial year ended 30 June 2012 of 5 sen per ordinary share, less tax of 25% amounting to RM17,087,000 has been proposed by the Directors after the reporting period for shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the current financial year do not reflect these dividends. These dividends, if approved by shareholders, will be accounted for as an appropriation of retained earnings in the financial year ending 30 June 2013.

33. EMPLOYEE BENEFITS

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Wages, salaries and bonuses	**51,952**	45,962	**8,494**	7,086
Contributions to defined contribution plan	**6,818**	6,468	**1,380**	1,131
Social security contributions	**651**	601	**32**	31
Other benefits	**8,699**	12,343	**285**	380
	68,120	65,374	**10,191**	8,628

The above staff costs are allocated as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Income statements	**64,144**	61,707	**10,191**	8,628
Amount due from customers for contract works (Note 16(c))	**3,976**	3,667	**-**	-
	68,120	65,374	**10,191**	8,628

34. RELATED PARTY DISCLOSURES

(a) Identities of related parties

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

The Company has controlling related party relationship with its direct and indirect subsidiaries.

(b) The Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2012 RM'000	**2011 RM'000**	**2012 RM'000**	**2011 RM'000**
Related parties:				
Construction and renovation costs payable	**(1,910)**	-	**(8)**	-
Sale of building materials	**104**	2,291	**-**	-
Disposal of other investments	**9,780**	-	**-**	-
Insurance premium payable	**(2,196)**	(2,193)	**(94)**	(89)
Legal fee payable	**(353)**	-	**(8)**	-
Progress claim payable	**(541)**	(1,506)	**-**	-
Room revenue receivable	**388**	245	**-**	-
Construction cost billed	**4,576**	1,392	**-**	-
Rental of premises payable	**(1,135)**	(1,337)	**(7)**	(17)
Purchase of security equipment and services	**(358)**	(401)	**-**	-
IT services receivable	**6**	6	**-**	-
Internal audit services receivable	**9**	21	**-**	-
Subsidiaries:				
Dividend receivable	**-**	-	**20,000**	20,000
Interest receivable	**-**	-	**606**	836
Interest payable	**-**	-	**(1,092)**	(1,079)
Facilities charges payable	**-**	-	**(8)**	(16)
Management fees receivable	**-**	-	**3,300**	3,300
Rental payable	**-**	-	**(16)**	(18)
IT maintenance services payable	**-**	-	**(100)**	(71)
Secondment fees receivable	**-**	-	**-**	15

Material balances with related parties at the end of the reporting period are disclosed in Note 16 and Note 22 to the financial statements.

These transactions have been entered into the normal course of business and have been established under negotiated commercial terms.

34. RELATED PARTY DISCLOSURES (continued)

(c) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

The remuneration of the Directors and other key management personnel during the financial year was as follows:

	Group		Company	
	2012 RM'000	**2011 RM'000**	**2012 RM'000**	**2011 RM'000**
Short term employee benefits	**7,230**	5,994	**5,126**	3,956
Contributions to defined contribution plan	**1,176**	961	**938**	728
	8,406	6,955	**6,064**	4,684

35. OPERATING SEGMENTS

The Group is principally engaged in property development, construction, manufacturing and trading, hotel and leisure and investment holding.

No geographical segment information is presented as the Group's operations and the location of the customers are principally in Malaysia.

The Group has arrived at five reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies. The reportable segments are summarised as follow:

(i) Properties

Property development, property investment, provision of property management services and project management services.

(ii) Construction

Securing and carrying out construction contracts.

35. OPERATING SEGMENTS (continued)

The Group has arrived at five reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies. The reportable segments are summarised as follow (continued):

(iii) Manufacturing and trading

(a) Cable

The manufacture and sale of cables and wires.

(b) Building material

The manufacture and sale of roofing tiles, concrete wall panels, and trading of building materials.

(iv) Hotel and leisure

Hotel and restaurant business, hotel management and consultancy services, golf course operations and marketing and management of timeshare membership scheme.

(v) Investment holding

Holding and trading of quoted and unquoted shares, warrants and other investments.

Other operating segments that do not constitute reportable segments comprise operations related to software consultancy, product development and maintenance as well as cultivation of oil palm.

The accounting policies of operating segments are the same as those described in the summary of significant accounting policies.

The Group evaluates performance on the basis of profit or loss from operations before tax not including non-recurring losses, such as restructuring costs and goodwill impairment.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.

35. OPERATING SEGMENTS (continued)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment:

2012	Properties RM'000	Construction RM'000	Manufacturing and trading: Cable RM'000	Manufacturing and trading: Building material RM'000	Hotel and leisure RM'000	Investment holding RM'000	Other operating segments RM'000	Consolidated RM'000
Revenue								
Total revenue	184,544	197,962	190,481	34,090	108,731	19,620	1,373	736,801
Inter-segment revenue	(113)	(72,340)	-	(5,743)	(432)	(18,000)	(1,281)	(97,909)
Revenue from external customers	184,431	125,622	190,481	28,347	108,299	1,620	92	638,892
Results								
Segment results	22,155	8,883	22,375	4,414	10,948	3,612	(794)	71,593
Finance costs	(4,011)	(850)	(335)	-	(2,270)	(253)	-	(7,719)
Interest income	962	90	188	12	25	1,680	-	2,957
Share of profit of associates	-	-	-	-	-	986	-	986
Share of profit of a jointly controlled entity	-	-	-	-	-	1,228	-	1,228
Profit before tax	19,106	8,123	22,228	4,426	8,703	7,253	(794)	69,045
Tax expense	(7,046)	(2,913)	(5,796)	(417)	(2,664)	1,861	(3)	(16,978)
Profit for the financial year	12,060	5,210	16,432	4,009	6,039	9,114	(797)	52,067
Assets								
Segment assets	626,702	103,006	124,525	26,663	446,516	89,731	39,830	1,456,973
Investments in associates	-	-	-	-	-	53,495	-	53,495
Investment in a jointly controlled entity	-	-	-	-	-	1,228	-	1,228
Total assets	626,702	103,006	124,525	26,663	446,516	144,454	39,830	1,511,696
Liabilities								
Segment liabilities	344,532	86,769	34,397	5,792	111,679	3,380	6,477	593,026
Other segment information								
Additions to non-current assets other than financial instruments and deferred tax assets	2,952	4,716	3,984	874	18,057	80	2,831	33,494
Depreciation	5,874	3,801	1,791	1,013	12,189	176	15	24,859
Other material non-cash item:								
- Inventories written down	-	-	2,477	94	-	-	-	2,571

35. OPERATING SEGMENTS (continued)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment (continued):

2011	Properties RM'000	Construction RM'000	Manufacturing and trading: Cable RM'000	Manufacturing and trading: Building material RM'000	Hotel and leisure RM'000	Investment holding RM'000	Other operating segments RM'000	Consolidated RM'000
Revenue								
Total revenue	256,902	179,445	158,160	36,078	85,591	26,240	1,396	743,812
Inter-segment revenue	(20,250)	(101,079)	-	(6,587)	(104)	(23,300)	(1,229)	(152,549)
Revenue from external customers	236,652	78,366	158,160	29,491	85,487	2,940	167	591,263
Results								
Segment results	44,912	10,701	25,092	3,334	4,096	(4,637)	1,920	85,418
Finance costs	(5,888)	(1,096)	(119)	(41)	(1,498)	(1,243)	-	(9,885)
Interest income	1,292	64	81	-	25	1,634	-	3,096
Share of profit of associates	-	-	-	-	-	1,236	-	1,236
Profit before tax	40,316	9,669	25,054	3,293	2,623	(3,010)	1,920	79,865
Tax expense	(11,209)	(6,570)	(6,160)	(352)	(1,143)	1,318	(277)	(24,393)
Profit for the financial year	29,107	3,099	18,894	2,941	1,480	(1,692)	1,643	55,472
Assets								
Segment assets	598,742	86,238	100,442	27,199	439,187	103,028	4,415	1,359,251
Investments in associates	-	-	-	-	-	53,003	-	53,003
Total assets	598,742	86,238	100,442	27,199	439,187	156,031	4,415	1,412,254
Liabilities								
Segment liabilities	282,945	84,100	31,105	5,936	104,655	10,437	150	519,328
Other segment information								
Additions to non-current assets other than financial instruments and deferred tax assets	1,850	4,229	4,863	719	16,134	121	37	27,953
Depreciation	5,963	3,934	1,353	1,303	11,628	161	11	24,353
Other material non-cash item:								
- Reversal of impairment loss on trade and other receivables	20	-	4,406	177	6	-	-	4,609

36. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the Group's capital management is to ensure that entities of the Group would be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group remains unchanged from that in financial year ended 30 June 2011.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2012 and 30 June 2011.

The Group monitors and maintains a prudent level of total debts and to ensure compliance with any externally imposed capital requirements, if any.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt represents total borrowings less cash and cash equivalents whereas total capital represents equity attributable to the owners of the parent less the fair value adjustment reserve.

	Group		**Company**	
	2012 RM'000	**2011 RM'000**	**2012 RM'000**	**2011 RM'000**
Borrowings	**345,092**	266,771	**3,747**	8,683
Less: Cash and cash equivalents	**(95,605)**	(69,290)	**(823)**	(516)
Net debt	**249,487**	197,481	**2,924**	8,167
Equity attributable to the owners of the parent	**920,343**	894,574	**556,608**	567,813
Less: Fair value adjustment reserve	**(3,708)**	(12,791)	**-**	-
Total capital	**916,635**	881,783	**556,608**	567,813
Gearing ratio	**27%**	22%	**1%**	1%

36. FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments

Categories of financial instruments

2012 Group	Loans and receivables RM'000	Available for sale RM'000	Total RM'000
Financial assets			
Other investments	-	34,532	34,532
Trade and other receivables	265,347	-	265,347
Cash and cash equivalents	95,605	-	95,605
	360,952	34,532	395,484

	Other financial liabilities RM'000	Total RM'000
Financial liabilities		
Borrowings	345,092	345,092
Trade and other payables	175,297	175,297
	520,389	520,389

Company	Loans and receivables RM'000	Total RM'000
Financial assets		
Trade and other receivables	185,646	185,646
Cash and cash equivalents	823	823
	186,469	186,469

	Other financial liabilities RM'000	Total RM'000
Financial liabilities		
Borrowings	3,747	3,747
Trade and other payables	166,544	166,544
	170,291	170,291

36. FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments (continued)

Categories of financial instruments (continued)

2011 **Group**	**Loans and receivables RM'000**	**Available for sale RM'000**	**Total RM'000**
Financial assets			
Other investments	-	63,244	63,244
Trade and other receivables	238,664	-	238,664
Cash and cash equivalents	69,290	-	69,290
	307,954	63,244	371,198

	Other financial liabilities RM'000	**Total RM'000**
Financial liabilities		
Borrowings	266,771	266,771
Trade and other payables	183,034	183,034
	449,805	449,805

Company	**Loans and receivables RM'000**	**Total RM'000**
Financial assets		
Trade and other receivables	192,771	192,771
Cash and cash equivalents	516	516
	193,287	193,287

	Other financial liabilities RM'000	**Total RM'00**
Financial liabilities		
Borrowings	8,683	8,683
Trade and other payables	144,554	144,554
	153,237	153,237

36. FINANCIAL INSTRUMENTS (continued)

(c) Fair values of financial instruments

The fair values of financial instruments that are not carried at fair value and whose carrying amounts do not approximate its fair values are as follows:

	Group	
	Carrying amount	**Fair value**
2012	**RM'000**	**RM'000**
Recognised		
Financial liabilities:		
Fixed rate term loans	**24,865**	**22,163**
2011		
Recognised		
Financial liabilities:		
Fixed rate term loans	30,910	26,462

(d) Determination of fair values

<u>Methods and assumptions used to estimate fair values</u>

The fair values of financial assets and financial liabilities are determined as follows:

i. Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables and short term borrowings, are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

ii. Non-current trade receivables

The carrying amounts of non-current trade receivables in respect of timeshare membership fees receivable represent future cash flows discounted at the market interest rate. Hence, their carrying amounts closely approximate their fair values.

36. FINANCIAL INSTRUMENTS (continued)

(d) Determination of fair values (continued)

Methods and assumptions used to estimate fair values (continued)

The fair values of financial assets and financial liabilities are determined as follows (continued):

iii. Fixed rate term loans

The fair value of fixed rate term loans is estimated by using discounted cash flows technique. The discount rate used is based on the current market information and rate applicable to similar type of borrowing.

iv. Quoted shares and quoted warrants

The fair value of quoted investments in Malaysia is determined by reference to the exchange quoted market bid prices at the close of the business on the end of the reporting period.

v. Unquoted shares

The fair value of these unquoted investments has been estimated using a relative valuation technique based on the industry average price earnings (‘PE’) ratio obtained from the market, discounted by 40% to reflect the listing premium of the public listed entities that forms the industry average. Management believes that the estimated fair values resulting from the valuation technique are reasonable and the most appropriate at the end of the reporting period.

(e) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on degree to which the fair value is observable.

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

Level 2 fair value measurements are those derived from inputs other than quoted 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).

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

36. FINANCIAL INSTRUMENTS (continued)

(e) Fair value hierarchy (continued)

As at 30 June 2012, the Group held the following financial instruments carried at fair value on the statement of financial position:

Assets measured at fair value

	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Available-for-sale financial assets				
- Quoted shares	**32,917**	**32,917**	**-**	**-**
- Quoted warrants	**946**	**946**	**-**	**-**
- Unquoted shares	**669**	**-**	**-**	**669**
	34,532	**33,863**	**-**	**669**

During the reporting period ended 30 June 2012, there were no transfers between Level 1 and Level 2 fair value measurements.

As at 30 June 2011, the Group held the following financial instruments carried at fair value on the statement of financial position:

Assets measured at fair value

	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Available-for-sale financial assets				
- Quoted shares	62,283	62,283	-	-
- Quoted warrants	349	349	-	-
- Unquoted shares	612	-	-	612
	63,244	62,632	-	612

During the reporting period ended 30 June 2011, there were no transfers between Level 1 and Level 2 fair value measurements.

36. FINANCIAL INSTRUMENTS (continued)

(e) Fair value hierarchy (continued)

Reconciliation of fair value measurements of Level 3 financial instruments

The Group carries unquoted equity shares as available-for-sale financial assets classified as Level 3 within the fair value hierarchy.

	Available-for-sale financial assets RM'000
Balance at 1 July 2011	612
Total gains recognised in other comprehensive income	57
Balance at 30 June 2012	**669**

Although the Group believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects:

	Effect on available-for-sale reserve	
	Favourable RM'000	(Unfavourable) RM'000
Unquoted shares	57	(55)

A discounted forward Price Earnings ('PE') ratio has been used as a critical assumption or input based on prevailing market conditions.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management objective is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to credit risk, liquidity and cash flow risk, interest rate risk, foreign currency risk and market price risk. Information on the management of the related exposures is detailed below.

(i) Credit risk

Cash deposits and trade receivables may give rise to credit risk which requires the loss to be recognised if a counterparty fails to perform as contracted. The Group's primary exposure to credit risk arises from its trade receivables.

The Group minimises credit risk by associating itself with high credit rated counterparties and through credit approval, financial limits and on-going monitoring procedures. Counterparties credit evaluation is done systematically using quantitative and qualitative criteria on credit risks specified by individual operating division. Depending on the creditworthiness of the counterparty, the Group may require collateral or other credit enhancements. The Group uses ageing analysis and credit limit review to monitor the credit quality of the receivables.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the country and industry sector profiles of its trade receivables on an ongoing basis.

As at the reporting date, 96% (2011: 95%) of trade receivables are generated from Malaysia.

The credit risk concentration profile of the Group's trade receivables by industry sectors at the end of the reporting period is as follows:

	Group			
	2012		2011	
	RM'000	% of total	RM'000	% of total
By industry sectors:				
Properties	**60,359**	**25%**	80,670	35%
Construction	**75,287**	**31%**	56,275	25%
Manufacturing and trading	**61,455**	**25%**	47,222	20%
Hotel and leisure	**46,525**	**19%**	45,269	20%
Others	**19**	*	48	*
	243,645	**100%**	229,484	100%

* Amount is less than 1%.

At the end of the reporting period, 1% (2011: less than 1%) of the Group's receivables were due from related parties.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(i) Credit risk (continued)

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 16 to the financial statements. Cash and bank balances, deposits with banks and other financial institutions and investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 16 to the financial statements.

(ii) Liquidity and cash flow risk

Liquidity risk is the risk that the Group is unable to service its cash obligations in future.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the Group's activities.

Prudent liquidity risk management implies maintaining level of cash and the availability of funding through an adequate amount of committed credit facilities. As far as possible, the Group raises funding from financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

Analysis of financial instruments by remaining contractual maturities

The table below summaries the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

As at 30 June 2012	**On demand or within one year RM'000**	**One to five years RM'000**	**Over five years RM'000**	**Total RM'000**
Group				
Financial liabilities:				
Borrowings	**126,609**	**180,102**	**87,937**	**394,648**
Trade and other payables	**168,915**	**6,382**	**-**	**175,297**
Total undiscounted financial liabilities	**295,524**	**186,484**	**87,937**	**569,945**

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(ii) Liquidity and cash flow risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

As at 30 June 2012	**On demand or within one year RM'000**	**One to five years RM'000**	**Over five years RM'000**	**Total RM'000**
Company				
Financial liabilities:				
Borrowings	**3,543**	**370**	**-**	**3,913**
Trade and other payables	**166,544**	**-**	**-**	**166,544**
Total undiscounted financial liabilities	**170,087**	**370**	**-**	**170,457**
As at 30 June 2011				
Group				
Financial liabilities:				
Borrowings	78,838	137,323	111,315	327,476
Trade and other payables	176,180	6,854	-	183,034
Total undiscounted financial liabilities	255,018	144,177	111,315	510,510
Company				
Financial liabilities:				
Borrowings	5,359	3,913	-	9,272
Trade and other payables	144,554	-	-	144,554
Total undiscounted financial liabilities	149,913	3,913	-	153,826

(iii) Interest rate risk

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

As the Group has no significant interest-bearing financial assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed as short term deposits with financial institutions.

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. The Group manages its interest rate exposure by way of applying centralised treasury management function, closely monitoring the debt market and where necessary, maintaining a prudent mix of fixed and floating rate borrowings. This strategy allows the Group to borrow at competitive interest rates. The Group does not use derivative financial instruments to hedge any debt obligations.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

As at 30 June 2012, if interest rates at the date had been 50 basis points lower, with all other variables held constant, the Group's and the Company's post-tax profit for the year would have been approximately RM665,000 (2011: RM473,000) and RM80,000 (2011: RM99,000) higher, arising mainly as a result of lower interest expense on variable borrowings and advances. If interest rates had been 50 basis points higher, with all other variables held constant, the Group's and the Company's post-tax profit would have been approximately RM680,000 (2011: RM475,000) and RM81,000 (2011: RM100,000) lower, arising mainly as a result of higher interest expense on variable borrowings and advances. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of the reporting period of the Group's and the Company's financial assets and financial liabilities that are exposed to interest rate risk and the periods in which they mature, or if earlier, reprice:

Group	Note	Weighted average effective interest rate % per annum	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
As at 30 June 2012									
Fixed rate instruments									
Deposits with licensed banks	19	3.78	**42,011**	-	-	-	-	-	**42,011**
Secured term loans	23	5.30	**10,002**	**9,368**	**5,495**	-	-	-	**24,865**
Floating rate instruments									
Housing development accounts	19	1.60	**33,706**	-	-	-	-	-	**33,706**
Secured term loans	23	4.25	**242,683**	-	-	-	-	-	**242,683**
Unsecured term loans	23	5.63	**1,498**	-	-	-	-	-	**1,498**
Secured bankers' acceptances	23	4.75	**2,132**	-	-	-	-	-	**2,132**
Unsecured bankers' acceptances	23	3.55	**16,937**	-	-	-	-	-	**16,937**
Secured bank overdrafts	23	7.10	**782**	-	-	-	-	-	**782**
Unsecured bank overdrafts	23	8.15	**4,195**	-	-	-	-	-	**4,195**
Secured revolving credits	23	4.49	**48,200**	-	-	-	-	-	**48,200**
Unsecured revolving credits	23	4.88	**3,800**	-	-	-	-	-	**3,800**

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Interest rate risk (continued)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of the reporting period of the Group's and the Company's financial assets and financial liabilities that are exposed to interest rate risk and the periods in which they mature, or if earlier, reprice (continued):

Group	Note	Weighted average effective interest rate % per annum	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
As at 30 June 2011									
Fixed rate instruments									
Deposits with licensed banks	19	4.97	40,903	-	-	-	-	-	40,903
Secured term loans	23	5.30	6,046	10,001	9,368	5,495	-	-	30,910
Floating rate instruments									
Housing development accounts	19	1.41	15,511	-	-	-	-	-	15,511
Secured term loans	23	5.57	204,973	-	-	-	-	-	204,973
Unsecured term loans	23	6.56	3,514	-	-	-	-	-	3,514
Unsecured bankers' acceptances	23	3.46	11,045	-	-	-	-	-	11,045
Secured bank overdrafts	23	7.45	4,829	-	-	-	-	-	4,829
Unsecured bank overdrafts	23	7.94	5,500	-	-	-	-	-	5,500
Secured revolving credits	23	4.43	2,200	-	-	-	-	-	2,200
Unsecured revolving credits	23	4.75	3,800	-	-	-	-	-	3,800

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Interest rate risk (continued)

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of the reporting period of the Group's and the Company's financial assets and financial liabilities that are exposed to interest rate risk and the periods in which they mature, or if earlier, reprice (continued):

Company	**Note**	**Weighted average effective interest rate %**	**Within 1 year RM'000**	**1 - 2 years RM'000**	**2 - 5 years RM'000**	**Over years RM'000**	**Total RM'000**
At 30 June 2012							
Floating rate instruments							
Amount owing to subsidiaries	22	4.00	**24,867**	**-**	**-**	**-**	**24,867**
Secured term loans	23	7.35	**3,747**	**-**	**-**	**-**	**3,747**
At 30 June 2011							
Floating rate instruments							
Amount owing to subsidiaries	22	4.05	29,714	-	-	-	29,714
Secured term loans	23	7.21	7,824	-	-	-	7,824
Unsecured bank overdrafts	23	7.93	859	-	-	-	859

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Subsidiaries operating in Singapore, Thailand, Vietnam and Australia have assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies that give rise to foreign exchange exposures.

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances amounted to RM38,729,000 (2011: RM41,939,000) for the Group. To a certain extent, the cash forms a natural hedge against a borrowing denominated in a foreign currency.

The Group is also exposed to foreign currency exchange risk in respect of its overseas investments. The Group does not hedge this exposure with foreign currency borrowings as the currency positions are considered to be long term in nature.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iv) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the US Dollar exchange rates against the respective functional currencies of the Group entities, with all other variables held constant. The sensitivity analysis includes only significant outstanding balances denominated in foreign currencies, of which the fluctuations in foreign exchange rates would have a significant impact on profit or loss.

		Group	
		2012	**2011**
		RM'000	**RM'000**
		Profit net of tax	Profit net of tax
US Dollar/RM	-strengthen by 3%	**-358**	-304
	-weaken by 3%	**+358**	+304

(vi) Market price risk

Market price risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising from quoted investments held by the Group. The quoted equity instruments in Malaysia are listed on the Bursa Malaysia Securities Berhad. The Group does not actively trade these investments and are classified as available-for-sale financial assets. The Group does not have exposure to commodity price risk.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

Sensitivity analysis for equity price risk

At the end of the reporting period, if Bursa Malaysia's Kuala Lumpur Composite Index ('KLCI') had been 3% higher or lower, with all other variables held constant, the Group's other reserve in equity would have been RM1,016,000 (2011: RM1,879,000) higher or lower, arising as a result of an increase or decrease in the fair value equity instruments classified as available-for-sale.

38. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 2 February 2012, a subsidiary, DLHA Management Services Sdn. Bhd. acquired 50% of the issued and paid-up ordinary share capital of Scotia Acres Sdn. Bhd., a company incorporated in Malaysia engaged in property investment, for a cash consideration of RM1.

39. SUPPLEMENTARY INFORMATION ON REALISED AND UNREALISED PROFITS OR LOSSES

The retained earnings as at the end of the reporting period may be analysed as follows:

	2012 Group RM'000	2012 Company RM'000
Total retained earnings of PJ Development Holdings Berhad and its subsidiaries:		
- Realised	379,029	56,690
- Unrealised	(24,017)	-
	355,012	56,690
Total share of retained earnings from associates:		
- Realised	28,592	-
- Unrealised	982	-
	384,586	56,690
Total share of retained earnings from a jointly controlled entity:		
- Realised	1,228	-
	385,814	56,690
Add: Consolidation adjustments	28,197	-
Total retained earnings of the Group/Company as per consolidated accounts	414,011	56,690

List of Group's Top Ten Properties
as at 30 June 2012

Location	Area (sq ft)	Tenure	Description/ Existing Use	Age of Building	Date of Acquisition	Net Book Value (RM'000)
Menara PJD No 50 Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan	796,355 (built-up)	Freehold	Building	2 years 6 months	15.11.2006	119,555
Damai Laut Country Resort Mukim of Lumut District of Dindings Perak Darul Ridzuan	15,044,751	Freehold and leasehold (99 years expiring on 08.06.2094)	Resort & property development	N/A	1990	117,291
Swiss-Garden Hotel & Residences Kuala Lumpur 117 Jalan Pudu 55100 Kuala Lumpur Wilayah Persekutuan	342,752 (built-up)	Freehold	Hotel	16 Years	-	88,556
Geran No. 71968 Lot 67756 Mukim Batu Kuala Lumpur Wilayah Persekutuan	442,719	Freehold	Land for residential development	N/A	28.11.2001	79,455
Harbour Place Sek. 4, Bandar Butterworth Daerah Seberang Prai Utara Pulau Pinang	884,827	Freehold	Land for mixed development	N/A	14.10.1996	74,089

List of Group's Top Ten Properties
as at 30 June 2012

Location	Area (sq ft)	Tenure	Description/ Existing Use	Age of Building	Date of Acquisition	Net Book Value (RM'000)
YOU City Mukim Cheras District of Ulu Langat Selangor Darul Ehsan	573,250	Freehold	Land for mixed development	N/A	02.08.2007	56,650
Swiss-Garden Resort & Spa Kuantan Lot PT 7566 Mukim Sungai Karang 26100 Berserah Daerah Kuantan Pahang Darul Makmur	250,512 (built-up)	Freehold	Hotel	14 years	-	54,505
Geran 27568 Lot 309 Sek. 52, Bandar Kuala Lumpur Daerah Kuala Lumpur Wilayah Persekutuan	22,127	Freehold	Land for residential & commercial development	N/A	28.07.2011	35,933
PT No. 1664 & 1665, H.S.(D) 18906 & 18907, Mukim Penor Daerah Kuantan Pahang Darul Makmur	43,560,479	Leasehold (99 years expiring on 31.03.2098)	Land for oil palm cultivation	N/A	01.11.2006	35,120
Geran Mukim 223 Lot 679 Mukim Damansara Tempat Sungai Penaga Daerah Petaling Jaya Selangor Darul Ehsan	116,916	Freehold	Land for mixed development	-	27.10.2010	33,262

Analysis of Shareholdings
as at 1 October 2012

Authorised Capital	: RM1,000,000,000
Issued and fully paid-up capital	: RM456,133,692 (Including 475,000 Treasury Shares)
Class of Shares	: Ordinary shares of RM1.00 each fully paid
Voting Rights	: One vote per RM1.00 share

BREAKDOWN OF SHAREHOLDINGS

RANGE OF SHAREHOLDINGS	NO. OF HOLDERS	PERCENTAGE OF HOLDERS	NO. OF RM1.00 SHARES	PERCENTAGE OF ISSUED CAPITAL
1 - 99	517	3.80	9,657	0.00
100 - 1,000	3,174	23.30	2,548,966	0.56
1,001 - 10,000	7,429	54.53	33,921,470	7.44
10,001 - 100,000	2,178	15.99	67,794,523	14.88
100,001 - 22,782,933	323	2.37	232,658,429	51.06
22,782,934 and above	2	0.01	118,725,647	26.06
TOTAL	13,623	100.00	455,658,692	100.00

THIRTY LARGEST REGISTERED HOLDERS

	NAME	SHAREHOLDINGS	PERCENTAGE
1	DINDINGS CONSOLIDATED SDN BHD	90,285,481	19.81
2	KHOR CHAI MOI	28,440,166	6.24
3	SOON TIEK DEVELOPMENT SDN BHD	13,620,327	2.99
4	HSBC NOMINEES (ASING) SDN BHD *EXEMPT AN FOR CREDIT SUISSE (SG BR-TST-ASING)*	10,994,500	2.41
5	LADANG SETIA SDN BHD	8,391,360	1.84
6	OSK NOMINEES (TEMPATAN) SDN BERHAD *WONG CHONG NGIN*	7,086,400	1.56
7	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR YC LTD*	6,400,000	1.40
8	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR JX LTD*	6,380,000	1.40
9	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR YM LTD*	6,008,800	1.32
10	HLB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR MAH SIEW SEONG*	6,008,400	1.32
11	LAND MANAGEMENT SDN BHD	4,400,000	0.97

Analysis of Shareholdings
as at 1 October 2012

	NAME	SHAREHOLDINGS	PERCENTAGE
12	LOH SIEW HOOI	4,330,000	0.95
13	KHOR CHEI YONG	4,169,200	0.91
14	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR YS LTD*	4,100,900	0.90
15	PUBLIC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR NG NGOW @ NG SOO HAR (E-TCS)*	4,034,200	0.89
16	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR JY LTD*	3,609,200	0.79
17	LOCK KAI SANG	3,597,200	0.79
18	CITIGROUP NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR WONG CHONG SHEE (470539)*	3,534,000	0.78
19	HLB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR WONG AH CHIEW*	3,462,200	0.76
20	WONG CHONG NGIN	3,357,000	0.74
21	NG AH BOON	3,239,600	0.71
22	AMSEC NOMINEES (TEMPATAN) SDN BHD *AMTRUSTEE BERHAD FOR PACIFIC PEARL FUND (UT-PM-PPF)*	3,208,500	0.70
23	CITIGROUP NOMINEES (ASING) SDN BHD *CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND*	3,153,700	0.69
24	LIM PEI TIAM @ LIAM AHAT KIAT	3,000,000	0.66
25	THZEW BEE CHOO	2,520,000	0.55
26	OSK NOMINEES (TEMPATAN) SDN BERHAD *KHOR CHAI MOI*	2,448,000	0.54
27	AU YIU JOO	2,401,100	0.53
28	WONG AH CHIEW	2,376,000	0.52
29	JASMIN VILLA DEVELOPMENT SDN.BHD.	2,290,000	0.50
30	CHAN YAN PING	2,254,900	0.49

Analysis of Shareholdings
as at 1 October 2012

SUBSTANTIAL SHAREHOLDERS

According to the register required to be kept under Section 69L of the Companies Act, 1965, the following are the substantial shareholders of the Company:

	No. of shares held			
Name	**Direct Interest**	**%**	**Indirect/Deemed Interest**	**%**
Dindings Consolidated Sdn Bhd	86,137,481	18.90	*4,148,000	0.91
Puan Sri Khor Chai Moi	28,440,166	6.24	**107,841,841	23.67
Wong Ah Chiew	2,376,000	0.52	***94,097,681	20.65

Notes :

* By virtue of shares held through Nominees.

** By virtue of shares held through Nominees, Dindings Consolidated Sdn. Bhd., Land Management Sdn. Bhd., Ladang Setia Sdn. Bhd. and family members.

*** By virtue of shares held through Nominees, Dindings Consolidated Sdn. Bhd., Elegant Preference Sdn. Bhd. and Jian Qi Holdings Sdn. Bhd.

Analysis of Warrantholdings
as at 1 October 2012

No. of Warrants Issued : 213,811,972

RANGE OF HOLDINGS	NO. OF HOLDERS	PERCENTAGE OF HOLDERS	NO. OF WARRANTS	PERCENTAGE OF ISSUED WARRANTS
1 - 99	62	1.74	2,664	0.00
100 - 1,000	562	15.76	387,049	0.18
1,001 - 10,000	1,579	44.28	6,766,813	3.16
10,001 - 100,000	1,153	32.33	43,006,954	20.11
100,001 - 10,690,597	208	5.83	98,785,592	46.20
10,690,598 and above	2	0.06	64,862,900	30.34
TOTAL	3,566	100.00	213,811,972	100.00

THIRTY LARGEST REGISTERED HOLDERS

	NAME	WARRANTHOLDINGS	PERCENTAGE
1	DINDINGS CONSOLIDATED SDN BHD	48,974,800	22.91
2	KHOR CHAI MOI	15,888,100	7.43
3	SOON TIEK DEVELOPMENT SDN BHD	7,611,222	3.56
4	LADANG SETIA SDN BHD	4,328,900	2.02
5	OSK NOMINEES (TEMPATAN) SDN BERHAD *WONG CHONG NGIN*	3,321,750	1.55
6	LAND MANAGEMENT SDN BHD	2,554,900	1.19
7	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR YC LTD*	2,362,500	1.10
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD *CIMB BANK FOR MAK NGIA NGIA @ MAK YOKE LUM (MM0749)*	2,325,500	1.09
9	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR JX LTD*	2,280,000	1.07
10	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR YM LTD*	2,253,300	1.05
11	OSK INVESTMENT BANK BERHAD *IVT (DSP)*	2,167,500	1.01
12	LOW AH LIN	1,800,000	0.84
13	MAK NGIA NGIA @ MAK YOKE LUM	1,644,100	0.77

Analysis of Warrantholdings
as at 1 October 2012

	NAME	WARRANTHOLDINGS	PERCENTAGE
14	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD *CIMB COMMERCE TRUSTEE BERHAD FOR HONG LEONG ASIA-PACIFIC INCOME PLUS FUND (50076 BHLBT)*	1,550,000	0.72
15	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR YS LTD*	1,500,337	0.70
16	HLB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR WONG AH CHIEW*	1,497,800	0.70
17	MAK PAK LIN	1,410,100	0.66
18	HSBC NOMINEES (ASING) SDN BHD *AA NOMS SG FOR JY LTD*	1,353,450	0.63
19	KHOR CHEI YONG	1,345,600	0.63
20	PUBLIC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR NG NGOW @ NG SOO HAR (E-TCS)*	1,274,000	0.60
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR BEH CHAN PIN*	1,250,000	0.58
22	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM LIAN SENG (800394)*	1,200,000	0.56
23	MAH SIEW SEONG	1,120,000	0.52
24	MAH KENG LOOI	1,116,000	0.52
25	TAN SUE LI	1,080,000	0.51
26	AMSEC NOMINEES (TEMPATAN) SDN BHD *AMTRUSTEE BERHAD FOR PACIFIC PEARL FUND (UT-PM-PPF)*	1,073,362	0.50
27	WONG AH CHIEW	1,046,300	0.49
28	MAYBANK NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR YEOH KOK KEAT*	1,000,200	0.47
29	OSK NOMINEES (TEMPATAN) SDN BERHAD *KHOR CHAI MOI*	1,000,000	0.47
30	JASMIN VILLA DEVELOPMENT SDN.BHD.	996,800	0.47

1. Directors' Interest As At 1 October 2012

COMPANY

	Ordinary Shares Of RM1.00 Each			
	Direct Interest		Indirect/Deemed Interest	
Director	**No.**	**%**	**No.**	**%**
Wong Ah Chiew	2,376,000	0.52	94,097,681	20.65
Wong Chong Shee	3,534,000	0.78	-	-
Puan Sri Khor Chai Moi	28,440,166	6.24	107,841,841	23.67
Yap Yoon Kong	-	-	590,000	0.13
Ong Ju Xing	20,000	0.004	-	-

	Warrants C			
	Direct Interest		Indirect/Deemed Interest	
Director	**No.**	**%**	**No.**	**%**
Wong Ah Chiew	1,046,300	0.49	50,629,900	23.68
Puan Sri Khor Chai Moi	15,888,100	7.43	57,421,100	26.86

RELATED CORPORATION

	Ordinary Shares Of RM1.00 Each			
	Direct Interest		Indirect/Deemed Interest	
Director	**No.**	**%**	**No.**	**%**
a) Wong Ah Chiew				
b) Puan Sri Khor Chai Moi				
* Damai Laut Golf Resort Sdn. Bhd.	-	-	49,500,000	99.00

	Ordinary Shares Of 10.00 Thai Baht Each			
	Direct Interest		Indirect/Deemed Interest	
Director	**No.**	**%**	**No.**	**%**
a) Wong Ah Chiew				
b) Puan Sri Khor Chai Moi				
* PJDCI Co., Ltd	-	-	242,500	78.5
* PJDC Co., Ltd	-	-	14,925,000	88.5

2. Material Contracts Involving Directors' and Substantial Shareholders' Interest

There was no material contract(s) entered by the Company or its subsidiaries involving directors' and substantial shareholders' interests in the financial year ended 30 June 2012.

3. Non-Audit Fee

The non-audit fees paid by Company to external auditors for the financial year ended 30 June 2012 are disclosed in Note 29 of the financial statements.

4. Recurrent Related Party Transactions

Recurrent related party transactions of PJ Development Holdings Berhad ("PJD") Group conducted pursuant to shareholders' mandate for the financial year ended 30 June 2012 are as follows:

Related Parties	Type of Recurrent Related Party Transactions	Interested Directors / Major Shareholders and Persons Connected	Value of Transactions (RM'000)
DC Group	Sale of building and construction materials	KCM, WAC, WCS, OJX, DC	35
OSKP Group	Award of construction contracts (includes construction of buildings and anciliary infrastructure works and retated services)	KCM, WAC, WCS, OLH, WCK, OYC, OJX, DC	-
Ke-Zan	Rental of premises in Plaza OSK	KCM, WAC, WCS, OLH, WCK, OYC, OJY, OJX, DC	589
WMSC Group	Purchase Supervisory Control and Data Acquisition (SCADA), information technology services, security system and smart home system	KCM, WAC, WCS, OYC, SW, OJX, DC	1,151
DC Group	Payment for interior design, refurbishment and renovation works	KCM, WAC, WCS, OJX, DC	2,606

Notes :

(1) Dindings Consolidated Sdn Bhd ("DC")
DC is a major shareholder of PJD. Wong Ah Chiew ("WAC") and Puan Sri Khor Chai Moi ("KCM") are both directors and major shareholders of DC and PJD.

Ong Ju Xing ("OJX") is a director of PJD, son of KCM, and a shareholder of DC.

(2) OSK Property Holdings Berhad ("OSKP")
Tan Sri Ong Leong Huat ("OLH") is a director and major shareholder of OSKP. He is the brother of Wong Chong Kim ("WCK"), and father of Ong Yee Ching ("OYC"), who are both directors of OSKP.

OLH and WCK are brothers of WAC and Wong Chong Shee ("WCS"), who are both directors of PJD.

OJX is the son of OLH and KCM, brother of OYC, and a shareholder of OSKP.

(3) KE-ZAN Berhad ("Ke-Zan")
Ke-Zan is a wholly-owned subsidiary company of OSK Holdings Berhad ("OSK").

OLH is a director and major shareholder of OSK. Ong Ju Yan ("OJY"), is the son of OLH and a director of OSK.

WCK is the Director of OSK, OSKP and Ke-Zan.

(4) Willowglen MSC Berhad ("WMSC")
WMSC is a 52.14% owned subsidiary company of New Advent Sdn Bhd ("NASB"). NASB is a wholly-owned subsidiary company of DC. Simon Wong Chu Keong ("SW") and OYC are directors of NASB. SW is the son of WAC. OYC is the daughter of KCM. WAC, KCM and OJX hold 0.62%, 0.69% and 0.01% direct interest respectively in WMSC.

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

No. of Shares held
CDS Account No.

FORM OF PROXY

I/We..

(PLEASE USE BLOCK LETTERS)

*NRIC No./Passport No./Company No. ………………………………………………… of...

....

being a member(s) of **PJ DEVELOPMENT HOLDINGS BERHAD** (“the Company”) hereby appoint:-

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
*and/or			
Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing him / her, *the Chairman of the Meeting, as *my / our proxy to vote for *me / us on *my / our behalf at the Forty-Seventh Annual General Meeting of the Company to be held at Grand Hibiscus, Level 3, Swiss-Garden Hotel & Residences Kuala Lumpur, 117, Jalan Pudu, 55100 Kuala Lumpur, Malaysia, on Thursday, 22 November 2012 at 10.00 a.m. and at any adjournment thereof, in the manner indicated below:

	RESOLUTIONS	**FOR**	**AGAINST**
1.	Declaration of a first and final dividend		
2.	Re-election of Wong Ah Chiew as Director		
3.	Re-election of Yap Yoon Kong as Director		
4.	Re-election of YM Ungku Haji Mohd Afandi bin Ungku Suleiman as Director		
5.	Approval on payment of Directors’ Fees		
6.	Re-appointment of Auditors and authorising the Directors to fix their remuneration		
7.	Authority to Issue Shares		
8.	Proposed Shareholders’ Mandate		
9.	Proposed Share Buy-Back Renewal		
10.	Proposed Amendments to the Articles of Association of the Company		

(Please indicate with an “X” in the spaces provided as to how you wish your vote to be cast for or against the Resolutions. In the absence of specific instructions, the proxy/proxies* may vote or abstain from voting as he/she/they* may think fit.)

Dated this .... day of 2012

....

* Delete if not appropriate

*Signature (s)/Common Seal of Shareholder

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 12 November 2012 (“General Meeting Record of Depositors”) are entitled to attend, speak and vote at the Forty-Seventh Annual General Meeting (“Meeting”) of the Company to be held on 22 November 2012.
2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies (but not more than two) to attend and vote in his stead. If two proxies are appointed, the number of shares each person is entitled to vote must be stated in the form of proxy. A proxy need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositors) Act, 1991, 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.
4. All forms of proxy must be deposited at the Registered Office of the Company at 18th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its Common Seal or the hand of its attorney.

Fold this flap for sealing

Stamp

The Secretary
PJ Development Holdings Berhad
(Company No. 5938-A)
18th Floor, Plaza OSK
Jalan Ampang
50450 Kuala Lumpur
Malaysia

2nd fold here

1st fold here

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