PJ DEVELOPMENT HOLDINGS BERHAD

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

ANNUAL REPORT 2010

Together
We Build a
Brighter
Future

CONTENTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Fifth Annual General Meeting of the Company will be held at Grand Hibiscus, Level 3, Swiss-Garden Hotel & Residences, 117, Jalan Pudu, 55100 Kuala Lumpur, Malaysia on Thursday, 25 November 2010 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 2010 together with the Report of the Auditors thereon. **(Please Refer Explanatory Note 1)**
2. To declare a first and final dividend of 5% less tax for the year ended 30 June 2010. **RESOLUTION 1**
3. To re-elect the following Directors who retire under Article 114 of the Company's Articles of Association, and who, being eligible, offer themselves for re-election:
   (a) YM Ungku Haji Mohd Afandi bin Ungku Suleiman **RESOLUTION 2**
   (b) Wong Chong Shee **RESOLUTION 3**
4. To approve the payment of Directors' fees of RM93,000 for the year ended 30 June 2010. **RESOLUTION 4**
5. To re-appoint Messrs BDO as Auditors of the Company and to authorise the Directors to fix their remuneration. **RESOLUTION 5**
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 6**

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 and associates 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 29 October 2010;

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 7**

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 8**

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 29 October 2010 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 9**

By order of the Board

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

Kuala Lumpur
29 October 2010

Notes:

1. 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.

2. 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.

3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such 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 Company 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 26 November 2009 and which will lapse at the conclusion of the Forty-Fifth Annual General Meeting of the Company.

   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 and associates 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 29 October 2010 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 29 October 2010 for further information.

5. **Special Resolution 1**
This 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 29 October 2010 for further information.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

   (a) YM Ungku Haji Mohd Afandi bin Ungku Suleiman
   (b) Wong Chong Shee

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

CORPORATE INFORMATION

Board of Directors

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

Wong Ah Chiew
(Managing Director)

Wong Chong Shee
(Deputy Managing Director)

Khor Chai Moi
(Executive Director)

Yap Yoon Kong
(Executive Director)

Au Chun Choong
(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)

Secretaries

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

Auditors

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

Principal Bankers

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

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

Share Registrars

Symphony Share Registrars Sdn. Bhd.
55 Medan Ipoh 1A, Medan Ipoh Bistari
31400 Ipoh, Perak Darul Ridzuan
Malaysia
Tel No. : 05-547 4833
Fax No. : 05-547 4363

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.

Chairman's **Review**

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 2010.

Financial Review

The Group recorded a turnover of RM665.8 million for the financial year under review, representing an increase of 5.93% over the previous financial year's turnover of RM628.5 million.

For the financial year under review, the Group registered a pre-tax profit of RM74.3 million as against a pre-tax profit of RM37.4 million for the previous financial year. Net tangible assets per share of the Group as at 30 June 2010 was RM1.80.

Dividend

The Board of Directors has recommended for your approval payment of a first and final dividend of 5% less income tax per share for the financial year ended 30 June 2010.

Outlook

The global economy during the period generally showed mixed results where the economies of the West continued to grapple with reforms coming into place while most Asian countries performed reasonably well in comparison. The Malaysian economy is expected to grow 4.5% and 5% in 2010 and 2011 respectively. The Government's economic stimulus packages together with further liberalisation policies aimed at creating a more conducive investment environment should be able to spur growth but the country's successful revival is still contingent upon the stability and growth of the global economy.

Consumer and business confidence is on the positive trend and market sentiment remains bullish on the prime property segment as the prevailing view is that interest hike will be gradual and minimal. PJD Group also recognises the public interest on environmental issues and will incorporate these elements into our developments particularly meeting the Green Building Index (GBI) standards developed by Pertubuhan Akitek Malaysia (PAM). All of these initiatives should benefit the Group's Property Development, Construction and Building Materials Divisions.

The Cables Division continues its programme of upgrading its plant and machineries and should also reap positive results from its overseas ventures. The Hotel Division backed by Swiss-Garden International Management and the Timeshare Division still faces the fallout from the economic upheaval. However, with diligent monitoring and continuous action taken to mitigate the difficult market situation, these Divisions are expected to continue contributing positively to the Group's performance.

The Group had put in place various measures in the preceeding years which were aimed at strengthening the financial foundation and long-term value of the Group and these efforts have paid off in terms of the commendable financial results. Perhaps more significantly, steps have been taken during this period to strengthen the core competencies existing within each of the divisions and with better systems and processes in place, this will result in further improved product and service offerings to the market. Some examples of these include the total of eight ISO 9001 certificates awarded to our various business units in the Group. The Group is now better positioned to face the uncertainties ahead and also to capitalise on the potential opportunities.

Barring any adverse developments in the general economic conditions, the Board is of the opinion that the Group's operations will continue to perform satisfactorily in the coming financial year.

Corporate Social Responsibility

PJD Group, through its Corporate Social Responsibility (CSR) initiatives, has diversified its community engagements and efforts during the financial year under review.

The Group engaged with several charity homes throughout the year. The expansion of community portals in all of our developments nationwide has now resulted in a strong communal bond with home buyers and residents. Frequent events that involve the environment such as tree planting and environmentally themed events are organized to enhance relationships and inculcating habits in preserving the environment.

In staying true to our CSR slogan, 'Together We Build a Brighter Future', all our business operations inculcates sustainability as a philosophy and environmental friendliness has become an important aspect of our overall performance. The Property Division has proactively explored and incorporated 'Green' technology within our developments with certified GBI facilitators, thus ensuring that the Group is able to achieve certification in our future developments.

CHAIRMAN'S REVIEW

Duta Kingsbury, Sri Hartamas - Perspective View

Human Resource Development

PJD Group is passionate about developing good employee morale by helping employees with their knowledge and capabilities for career advancement. All employees are valued and ideas are welcomed in an atmosphere of collaboration and teamwork.

Performance Management Systems are also used to align the organizational goals and objectives. We believe in providing meaningful feedback and coaching to improve employees' performance. A strong emphasis is also placed on resourcefulness and creativity of our people. The Group also emphasises on training programmes to equip employees not only with technical and industry skills but also on personal development and creative thinking.

Acknowledgement

On behalf of the Board, I would like to express my appreciation and thanks to the Management and staff for their commendable efforts and hard work in achieving the results for the Group.

Our appreciation and thanks also to our shareholders, customers, business associates, bankers and the authorities for their confidence and support.

I would also like to put on record our sincere thanks and appreciation to Encik Mohamed Zain Bin Mohamed Yusoff for his dedication and commitment during his tenure as Director and Chairman of the Company.

YM Ungku Haji Mohd Afandi bin Ungku Suleiman
Chairman
11 October 2010

Operations Review by the **Managing Director**

OPERATIONS REVIEW BY THE MANAGING DIRECTOR

Mont' Callista, Johor

Property Development

PJD Group's new business tower MENARA PJD, located at Jalan Tun Razak was completed in the fourth quarter of year 2009 and as to-date, the corporate and executive suites are fully leased out. Another development that is newly completed and 100% sold is IMPIAN MERIDIAN which is located at USJ, Subang Jaya. Vacant possession has been delivered to buyers. The signature twin towers at SWISS-GARDEN RESIDENCES is just a link bridge away from the renowned Swiss-Garden Hotel Kuala Lumpur at Jalan Pudu. This iconic development is almost completely sold and is due to be completed by middle of year 2011.

In the high profile locale of Sri Hartamas between the high-end commercial hubs of Mont'Kiara Solaris and Dutamas Solaris is DUTA KINGSBURY @ Dutamas. Boasting an exclusive condominium and linked villas, this contemporary development with an estimated Gross Development Value (GDV) of RM650 million is expected to be in the market in the beginning of year 2011.

The Group's next sought after venture in Klang Valley is the proposed mixed development in CHERAS located near the Multimedia Super Corridor of Kuala Lumpur-Bandar Baru Bangi-Kajang-Putrajaya-KLIA. This development on 20.6 acres of freehold land will consists of 3 blocks of serviced-apartments, 2 blocks of shop-offices with various entertainment areas, retail complexes and restaurants all located within court yards and green open spaces. The GDV for this iconic landmark development with well integrated facilities is estimated at RM750 million.

In the northern region, HARBOUR PLACE is Butterworth's first metrocity where OCEAN VIEW RESIDENCES is the third parcel of the development and was successfully launched in June 2009 with encouraging response. The Group is now gearing for the launch of PARCEL 4 by the first quarter of the year 2011. This proposed development consisting of over 400 units will have a good mix of products targeting young executives to large households. On completion, HABOUR PLACE will boast an estimated GDV of RM800 million.

Swiss Coral Ville, Kuantan - Perspective View

In the eastern region, Sovereign Twin Villa and Link Bungalows are part of the Phase 3A development at BUKIT ISTANA, Kuantan with 90% of the units sold to-date. Half of the units are completed with vacant possession delivered in May 2010. The coming Phase 3B was launched in August 2010 with a new enhanced design of Twin Villa.

The SUNGAI KARANG development comprises 22 acres of freehold land located just 1 km away from Swiss-Garden Resort & Spa Kuantan and will be PJD Group's next featured development in the east coast. Phase 1, SWISS CORAL VILLE will consists of serviced apartments located right at the seaside together with luxurious town-villas and business kiosks. This development together with the ongoing development of East Coast Economic Region will be in-line with the Government's direction to boost Malaysia's economy in particular in the east coast and is targeted to be launched in the second quarter of year 2011.

In the south in Taman Putri Kulai, its newest launch is BOTANIC HOMES which offers spacious and well designed single-storey link homes. The development is now 35% complete and more than 50% sold. We have delivered vacant possession to Phase 1 of the MONT' CALLISTA development in July 2010. The enhanced design 3-storey semi-detached, Tulipa II was officially launched in the second quarter of year 2010.

The Division is persevering with its efforts to enhance its service and product offerings. On-going initiatives include rollout of community portals, re-cycling initiatives, quality assessments under the Quality Assessment in Construction (QLASSIC) and The Construction Quality Assessment (CONQUAS) quality standards, homeowner gatherings and setting up multiple channels of communication to engage the community.

www.pjdprop.com.my

OPERATIONS REVIEW BY THE MANAGING DIRECTOR

Construction in progress

Construction

The Construction Division registered better profit compared to the previous period as material prices remain relatively stable compared to the galloping material prices of year 2008. This was despite a decrease in revenue as several projects are now reaching the tail-end of their implementation. The industry remains challenging as there is a noticeable slowdown in the rollout of new projects and the competitive bidding environment remains a hurdle in replenishing the order book. Under these constraints, the Division has aggressively tendered for new jobs locally albeit with caution.

During the year, the Division completed and handed-over two projects each in Malaysia and Thailand. The Division continues working on delivering the final project in Thailand.

To enhance its competitiveness and presence in the market, the Division has focused on delivering higher value products and services. An encouraging accomplishment in 2009 was being the sole winner of the QLASSIC Gold Award (Landed Property category) by the Construction Industry Development Board (CIDB) in recognition of its efforts in producing quality products. To ensure the sustainability of its business, the Division placed greater efforts in identifying and addressing risks factors and enhance its control measures and responses. The Division is confident of improving its performance in the coming year.

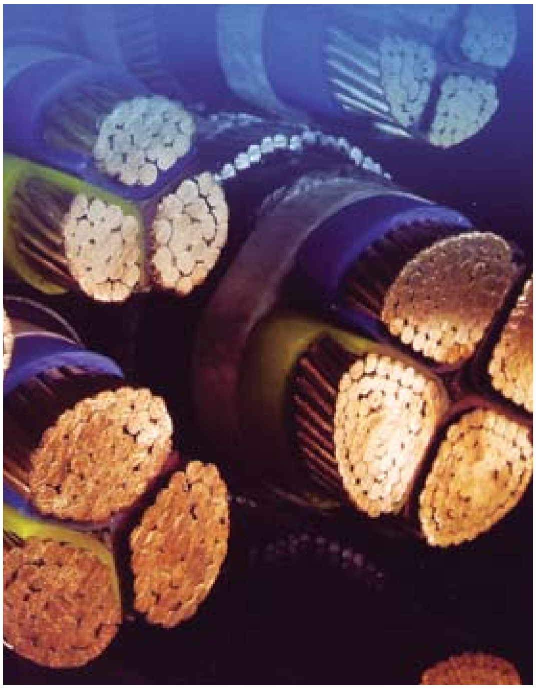
www.pjd.com.my

Cables

For the period under review, turnover for the Cables Division remains strong vis-a vis the previous financial year. The stagnant growth was partly caused by uncertainty in the European financial market in the first half of the financial year under review but was cushioned by the improvement in the market conditions in the second half of the financial year.

The operating conditions remain competitive. Hence, the emphasis on continuous improvement in efficiency and margins remain our priority.

Concrete Wall Panel



Cables

Moving forward to the coming financial year, we expect continuous infrastructure development by the Government to boost local demand. The Division is also introducing new products and is upgrading production facilities to increase capacity. It is anticipated that both sales volume and profit before tax will improve, provided the present business conditions continue.

It is expected that the operations in Vietnam will continue to improve on its market share there and will be able to contribute positively by the second half of the coming financial year. Prospects for the longer term remain bright and offer many opportunities for future development.

www.olympic-cable.com.my

Building Materials

The Building Materials Division's core business which is the manufacturing of concrete panels continued to perform well during the financial year under review. Export sales to Singapore had increased substantially and supply to the local market had also improved.

The margins of trading in general building materials however, were adversely affected by very volatile material prices, which in turn affected selling prices.

Overall, the Division performed within expectations in a difficult business environment. Looking forward, we will continue on our research and development programme to ensure we produce quality products efficiently. We will also continue to explore new markets and widen the product range.

www.pjdcpmalta.com

Hotels & Leisure

Tourism in Malaysia continues on the positive trend with marginal increase in tourist arrivals in year 2009. However, the global market has not fully recovered from the financial crisis and the Hotel Division faced stiff competition which resulted in lower operating profit compared to the previous year.

OPERATIONS REVIEW BY THE MANAGING DIRECTOR

Best Hotel Services 4 Star (Resort) 2008 - 2009 awarded to Swiss-Garden Golf Resort & Spa Damai Laut by the Ministry of Tourism

Tourism Malaysia continues its efforts to alleviate the impact of the economic downturn via aggressive promotional campaigns in key markets and forecasts 24 million tourist arrivals in year 2010. Swiss-Garden International (SGI) which represents the Hotel Division will work closely with Tourism Malaysia in both local and overseas campaigns to increase its market share.

For the second consecutive year, Swiss-Garden Golf Resort & Spa Damai Laut emerged the winner for Best Hotel Services 4-Star (Resort) 2008/2009 Award by the Ministry of Tourism.

With the expertise in the hospitality business, SGI is sourcing and expanding its management services to properties not owned by the Group, both local and international. We will also manage serviced apartments with our home-grown Swiss-Garden Residences Kuala Lumpur by middle of year 2011.

www.swissgarden.com

For the period under review, the Timeshare Division represented by Swiss-Garden International Vacation Club (SGIVC), faced its most challenging year since the commencement of business in year 2001. The uncertainties in the economy caused many prospective buyers to shelve travel plans thus resulting in lower revenue and profit compared to the preceding years.

During this period, SGIVC has taken the opportunity to focus its efforts to enhance its service level as well as strengthen its product offerings. Among the initiatives taken was to set up an in-house training department to train and equip staff with better skills and knowledge to serve our members. We have also developed and introduced an online reservation system known as “e-go holiday”, the first in the Malaysian Timeshare industry. This self-service system is aimed at making access to reservation of accommodation much easier for all members. “e-go holiday” achieved tremendous success as members made over 5,000 confirmations of accommodation on their own.

Swiss-Garden Residences, located behind Swiss-Garden Hotel Kuala Lumpur is expected to be ready by middle of year 2011. Its strategic location in an urban enclave right in the heart of the city together with its modern contemporary design meets the vacation club’s objective of providing quality accommodations to members.

We believe that these initiatives will strengthen the Division’s capabilities in anticipation of an improving economy and will enable it to chart new growth in the years ahead.

www.sgivacationclub.com

Wong Ah Chiew
Managing Director
11 October 2010

- Graduates Carnival at PWTC

- 1 Malaysia Coloring Contest with Sik Orphanage Home, Sungai Petani

- Deepa Raya Celebration 2009

- Christmas 2009 Cheer

- Furry Friends Farm, Kundang, Selangor

- Company trip

- Blood Donation 2009

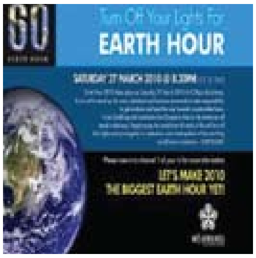
- CNY 2010 Festive Cheer to Ampang Elderly Home

- First Aid Training

- Earth hour

- Tree planting

- Buffet Dinner proceeds contribution to Mentally Challenged Children Centre, Kuantan



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 yang berakhir pada 30 Jun 2010.

Ulasan Kewangan

Kumpulan telah mencatatkan perolehan sebanyak RM665.8 juta bagi tahun kewangan dalam ulasan yang menunjukkan peningkatan sebanyak 5.93% berbanding dengan perolehan bagi tahun kewangan yang lepas sebanyak RM628.5 juta.

Bagi tahun kewangan dalam ulasan, Kumpulan telah mencatatkan keuntungan sebelum cukai sebanyak RM74.3 juta berbanding dengan keuntungan sebelum cukai sebanyak RM37.4 juta bagi tahun kewangan yang lepas. Aset Ketara Bersih sesaham Kumpulan pada 30 Jun 2010 adalah RM1.80.

Dividen

Lembaga Pengarah menyokong untuk mendapatkan kelulusan anda bagi pembayaran dividen pertama dan terakhir sebanyak 5% setelah ditolak cukai pendapatan sesaham bagi tahun kewangan berakhir 30 Jun 2010.

Tinjauan

Secara amnya, ekonomi global dalam tempoh kajian menunjukkan kesan turun naik di mana ekonomi di Barat terus bergelut dengan perubahan, sementara negara-negara Asia menunjukkan prestasi yang baik secara perbandingannya. Ekonomi di Malaysia dijangka meningkat sebanyak 4.5% dan 5% masing-masing pada tahun 2010 dan 2011. Pakej rangsangan ekonomi Kerajaan bersama dengan polisi pelonggaran yang bertujuan untuk mewujudkan persekitaran pelaburan yang lebih kondusif akan meningkatkan pertumbuhan tetapi kejayaan pemulihan negara masih lagi bergantung kepada kestabilan dan pertumbuhan ekonomi global.

Keyakinan konsumer dan perniagaan berada pada tahap positif dan sentimen pasaran kekal dalam suasana yang baik bagi segmen hartanah utama memandangkan secara lazimnya peningkatan faedah adalah secara beransur-ansur dan pada kadar minimum. Kumpulan PJD juga menyedari minat orang ramai ke atas isu alam sekitar dan akan menggabungkan elemen ini di dalam pembangunan kami terutamanya untuk memenuhi piawai Indeks Bangunan Hijau (GBI - Green Building Index) yang dibangunkan oleh Pertubuhan Arkitek Malaysia (PAM). Kesemua inisiatif ini seharusnya membawa manfaat kepada Bahagian Pembangunan Hartanah, Pembinaan dan Bahan Pembinaan dalam Kumpulan.

Bahagian Kabel meneruskan programnya untuk menaiktaraf loji dan jenteranya serta memberi keputusan positif dari usaha niaga luar negara. Bahagian Hotel yang disokong oleh pihak Pengurusan Swiss-Garden International dan Bahagian Timeshare masih berhadapan dengan kesan sampingan daripada pergolakan ekonomi. Walau bagaimanapun, dengan pengawasan teliti dan tindakan berterusan yang diambil untuk mengurangkan keadaan pasaran yang sukar. Bahagian ini dijangka terus menyumbang secara positif kepada prestasi Kumpulan.

Kumpulan telah mengambil pelbagai langkah pada tahun-tahun lepas, dengan tujuan untuk mengukuhkan asas kewangan dan nilai jangkapanjang Kumpulan dan usaha ini telah menunjukkan hasil dari segi keputusan kewangan yang mengagumkan. Malah, lebih penting lagi, langkah-langkah telah diambil dalam tempoh ini untuk mengukuhkan nilai utama sedia ada di dalam setiap bahagian dan dengan sistem dan proses yang lebih baik, ini akan menghasilkan penawaran produk dan perkhidmatan yang lebih baik di pasaran. Beberapa contoh termasuklah penganugerahan sebanyak lapan sijil ISO 9001 kepada beberapa unit perniagaan Kumpulan. Kini, Kumpulan dalam posisi yang lebih mantap untuk menghadapi cabaran pada masa hadapan dan juga untuk mengambil kesempatan ke atas peluang yang berpotensi.

Melainkan berlakunya sebarang perkembangan yang sukar di dalam keadaan ekonomi umum, Lembaga Pengarah berpendapat bahawa operasi Kumpulan akan terus menunjukkan prestasi yang memuaskan bagi tahun kewangan yang akan datang.

Tanggungjawab Sosial Korporat

Inisiatif Tanggungjawab Sosial Korporat (CSR) Kumpulan PJD telah mempelbagaikan kegiatan komuniti dan usahanya bagi tahun kewangan dalam ulasan.

Kumpulan terlibat dengan beberapa rumah kebajikan bagi sepanjang tahun. Perkembangan portal-portal komuniti di semua pembangunan kami di seluruh negara telah mewujudkan ikatan komunal yang kukuh dengan para pembeli rumah dan penduduknya. Pelbagai acara kerap dilaksanakan melibatkan pemuliharaan alam sekitar seperti penanaman pokok dan acara yang bertemakan alam sekitar dianjurkan untuk mengukuhkan hubungan disamping memupuk tabiat memelihara alam sekitar.

Dalam mengekalkan slogan CSR Kumpulan iaitu ‘Bersama-sama Kita Membina Masa Depan yang Lebih Cerah’, semua operasi perniagaan Kumpulan menanamkan kemampanan sebagai satu falsafah dan mesra alam sekitar telah menjadi satu aspek penting bagi prestasi keseluruhan Kumpulan. Bahagian Hartanah, secara proaktifnya telah menerokai dan menggabungkan teknologi ‘Hijau’ di dalam pembangunan melalui fasilitator Indeks Bangunan Hijau (GBI) yang diiktiraf, dan dengan itu, memastikan Kumpulan berupaya mencapai pensijilan di dalam pembangunan masa hadapan.

Pembangunan Sumber Manusia

Kumpulan PJD amat prihatin dalam mewujudkan semangat positif kakitangan dengan membantu kakitangan memperoleh ilmu pengetahuan dan keupayaan untuk mencapai potensi sepenuhnya dalam kerjaya mereka. Semua kakitangan dihargai dan idea mereka dialu-alukan dalam suasana bekerjasama dan kerja berpasukan.

Sistem Pengurusan Prestasi juga digunapakai untuk menjajarkan matlamat organisasi dan objektif. Kami percaya terhadap maklum balas yang diberikan dan latihan yang bermanfaat untuk meningkatkan prestasi kakitangan. Penekanan juga diletakkan ke atas kebijaksanaan dan kreativiti kakitangan kami. Kumpulan ini juga memberi penekanan ke atas program latihan untuk melengkapkan kakitangan bukan hanya dengan kemahiran teknikal dan industri, tetapi juga pembangunan sendiri dan pemikiran kreatif.

Penghargaan

Bagi pihak Lembaga, saya ingin merakamkan ucapan penghargaan dan terima kasih kepada pihak Pengurusan dan kakitangan di atas usaha dan kerjasama mereka yang mengagumkan dalam mencapai kejayaan untuk Kumpulan.

Penghargaan dan ucapan terima kasih juga diberikan kepada para pemegang saham, pelanggan, rakan perniagaan, pihak bank dan pihak berkuasa untuk kepercayaan dan sokongan mereka.

Kami juga ingin merakamkan ucapan terima kasih dan penghargaan kepada Encik Mohamed Zain Bin Mohamed Yusoff untuk dedikasi dan komitmen beliau sepanjang berkhidmat sebagai Pengarah dan Pengerusi Syarikat.

YM Ungku Haji Mohd Afandi
Bin Ungku Suleiman
Pengerusi
11 Oktober 2010

ULASAN OPERASI OLEH PENGARAH URUSAN

Pembangunan Hartanah

Menara perniagaan baru Kumpulan PJD, iaitu MENARA PJD yang terletak di Jalan Tun Razak, telah siap dibina pada suku keempat tahun 2009 dan kini, suite korporat dan eksekutif telah disewakan sepenuhnya. Satu lagi pembangunan yang baharu disiapkan dan telah dijual 100% ialah IMPIAN MERIDIAN yang terletak di USJ, Subang Jaya. Harta milik kosong telah diberikan kepada para pembeli. Menara berkembar penanda di SWISS-GARDEN RESIDENCES hanya dipisahkan dengan "link-bridge" dari Hotel Swiss-Garden Kuala Lumpur di Jalan Pudu. Pembangunan ikonik ini hampir dijual sepenuhnya dan dijangka siap pada pertengahan tahun 2011.

Terletak di lokasi berprofil tinggi di Sri Hartamas, di antara hab komersil berprestij tinggi, Mont'Kiara Solaris dan Dutamas Solaris ialah DUTA KINGSBURY @ Dutamas. Dengan kondominium eksklusif dan vila berangkai, pembangunan kontemporari ini yang mempunyai Nilai Pembangunan Kasar sebanyak RM650 juta, akan berada di pasaran pada awal tahun 2011.

Pembangunan Kumpulan yang seterusnya di Lembah Klang ialah pembangunan bercampur di CHERAS yang terletak berhampiran dengan Super Koridor Multimedia Kuala Lumpur-Bandar Baru Bangi-Kajang-Putrajaya-KLIA. Pembangunan di atas tanah hakmilik bebas seluas 20.6 ekar ini akan terdiri daripada 3 blok apartmen berperkhidmatan, 2 blok kedai pejabat dengan pelbagai tempat hiburan, kompleks beli-belah dan restoran, semuanya terletak di dalam ruang laman dalam dan ruang terbuka hijau. Pembangunan ikonik ini yang berintegrasikan pelbagai kemudahan, dijangka mempunyai Nilai Pembangunan Kasar sebanyak RM750 juta.

Di kawasan utara, HARBOUR PLACE adalah kota metro Butterworth yang pertama di mana OCEAN VIEW RESIDENCES merupakan pembangunan Kumpulan ketiga dan dilancarkan dengan jayanya pada bulan Jun 2009 dengan respon yang memberangsangkan. Kumpulan sedang dalam proses pelancaran PARCEL 4 pada suku pertama tahun 2011. Cadangan pembangunan ini yang melibatkan lebih daripada 400 unit akan mempunyai campuran produk yang baik, mensasarkan kepada eksekutif muda hinggalah keluarga yang besar. Apabila siap dibina, HARBOUR PLACE akan memberikan Nilai Pembangunan Kasar sebanyak RM800 juta.

Di kawasan timur, Vila Berkembar dan Banglo Berangkai Sovereign adalah sebahagian daripada pembangunan Fasa 3A di BUKIT ISTANA, Kuantan dengan penjualan sebanyak 90% sehingga ke hari ini. Separuh daripada unit ini dilengkapkan dengan hak milik kosong yang telah diserahkan kepada para pemilik pada bulan Mei 2010. Fasa 3B telah dilancarkan pada bulan Ogos 2010 dengan rekaan baharu Vila Berkembar.

Pembangunan di SUNGAI KARANG merangkumi tanah hakmilik bebas seluas 22 ekar yang terletak hanya 1km dari Swiss-Garden Resort & Spa Kuantan dan akan menjadi pembangunan khas berikutnya bagi Kumpulan PJD di pantai timur. Fasa 1 yang dikenali sebagai SWISS CORAL VILLE terdiri daripada unit apartmen berperkhidmatan terletak di kawasan pantai bersama dengan vila bandar mewah dan kios perniagaan. Pembangunan ini sejajar dengan pembangunan yang sedang berjalan di Wilayah Ekonomi Pantai Timur adalah selaras dengan hala tuju Kerajaan untuk meningkatkan ekonomi Malaysia, terutamanya di pantai timur dan ia dijangka akan dilancarkan pada suku kedua tahun 2011.

Di kawasan selatan, di Taman Putri Kulai, pelancaran terkini ialah BOTANIC HOMES yang menyediakan rumah teres satu tingkat yang luas dan bercirikan rekaan yang baik. 35% daripada pembangunan ini telah siap dan lebih daripada 50% telah dijual. Kami juga telah menyiapkan dan memberikan hak milik kosong untuk Fasa 1 pembangunan MONT' CALLISTA pada bulan Julai 2010. Kami telah memperbaiki rekaan rumah berkembar 3 tingkat, Tulipa II dan melancarkannya secara rasmi pada suku kedua tahun 2010.

Bahagian ini sedang berusaha dengan tekun untuk meningkatkan penawaran perkhidmatan dan produknya. Inisiatif yang sedang dilakukan termasuklah perlaksanaan portal komuniti, inisiatif kitar semula, penilaian kualiti di bawah piawai kualiti Penilaian Kualiti dalam Pembinaan (QLASSIC - Quality Assessment in Construction) dan Penilaian Kualiti Pembinaan (CONQUAS - Construction Quality Assessment), perjumpaan pemilik rumah dan penubuhan pelbagai saluran komunikasi untuk melibatkan komuniti.

www.pjdprop.com.my

Pembinaan

Bahagian Pembinaan mencatatkan keuntungan yang lebih baik berbanding dengan tempoh sebelumnya kerana harga bahan kekal stabil secara relatif berbanding harga bahan yang meningkat naik pada tahun 2008. Ini berlaku meskipun terdapat pengurangan dalam hasil kerana beberapa projek kini hampir di penghujung pelaksanaannya. Industri ini kekal mencabar kerana terdapat kelembapan yang ketara dalam pelaksanaan projek baharu dan persaingan membida tetap menjadi halangan dalam menerima tempahan baharu. Di bawah kekangan ini, Bahagian ini secara agresifnya telah mengeluarkan tender untuk kerja baharu tetapi dengan langkah berhati-hati.

Dalam tahun ini, Bahagian ini telah menyiapkan dan menyerahkan dua buah projek di Malaysia dan Thailand. Bahagian ini terus berusaha untuk menyiapkan projek terakhir di Thailand.

Untuk meningkatkan daya saing dan kehadirannya di pasaran, Bahagian ini fokus dalam memberikan produk dan nilai perkhidmatan yang lebih tinggi. Suatu kejayaan yang memberangsangkan pada tahun 2009 ialah penganugerahan pemenang utama bagi Anugerah Emas QLASSIC (kategori Hartanah di atas tanah) oleh Lembaga Pembangunan Industri Pembinaan (CIDB) di atas pengiktirafan usahanya dalam menghasilkan produk yang berkualiti. Untuk memastikan kemapanan perniagaannya, Bahagian ini meletakkan usaha yang lebih dalam mengenalpasti dan mengajukan faktor risiko dan meningkatkan langkah kawalan dan responsnya. Bahagian ini yakin untuk meningkatkan prestasinya pada tahun akan datang.

www.pjd.com.my

Kabel

Bagi tempoh dalam ulasan, perolehan Bahagian Kabel amat memberangsangkan seperti tahun kewangan yang lepas. Pertumbuhan yang lembap ini sebahagiannya disebabkan oleh pasaran kewangan Eropah yang tidak menentu terutamanya pada pertengahan pertama tahun kewangan. Walau bagaimanapun, pada separuh kedua tahun kewangan, keadaan pasaran telah meningkat dan membantu mengekalkan prestasi Bahagian ini.

Keadaan operasi kekal bersaing. Oleh yang demikian, penekanan untuk terus meningkatkan kecekapan dan margin menjadi keutamaan kami.

Melangkah ke tahun kewangan yang akan datang, kami menjangkakan pembangunan infrastruktur berterusan oleh Kerajaan untuk meningkatkan permintaan tempatan. Bahagian ini juga memperkenalkan produk baharu dan sedang meningkatkan kemudahan produksi untuk meningkatkan kapasiti. Dijangkakan bahawa kedua-dua jumlah jualan dan keuntungan sebelum cukai akan meningkat dengan syarat keadaan perniagaan kini berterusan.

Dijangkakan bahawa operasi di Vietnam akan terus meningkatkan perkongsian pasarannya di sana dan akan menyumbang secara positif dalam pertengahan tahun kewangan yang akan datang. Prospek bagi jangka panjang tetap cerah dan menawarkan banyak peluang bagi pembangunan masa hadapan.

www.olympic-cable.com.my

Bahan Pembinaan

Perniagaan utama Bahagian Bahan Pembinaan yang mengeluarkan panel konkrit terus menunjukkan prestasi yang baik dalam tahun kewangan dalam ulasan. Jualan eksport ke Singapura telah meningkat dengan banyak dan bekalan ke pasaran tempatan juga turut meningkat.

Walau bagaimanapun, margin dagangan bagi bahan pembinaan am dijejaskan oleh harga bahan yang sangat tidak stabil, yang mana akan menjejaskan harga jualan.

Keseluruhannya, Bahagian ini telah menunjukkan prestasi dalam jangkauan persekitaran perniagaan yang sukar. Melangkah ke hadapan, kami akan meneruskan program penyelidikan dan pembangunan untuk memastikan kami menghasilkan produk kualiti secara efisien. Kami juga akan terus untuk menerokai pasaran baharu dan mengembangkan rangkaian produk.

www.pjdcpmalta.com

Hotel & Rekreasi

Pelancongan di Malaysia terus berada pada trend positif dengan peningkatan marginal kedatangan pelancong pada tahun 2009. Walau bagaimanapun, pasaran global tidak pulih sepenuhnya dari krisis kewangan dan Bahagian hotel menghadapi persaingan hebat yang menyebabkan keuntungan operasi yang lebih rendah berbanding dengan tahun lepas.

Pelancongan Malaysia meneruskan usahanya untuk mengurangkan impak kemerosotan ekonomi melalui kempen promosi yang agresif di pasaran utama dan ramalan kedatangan pelancong seramai 24 juta orang pada tahun 2010. Swiss-Garden International (SGI) yang mewakili Bahagian Hotel akan terus bekerja rapat dengan Pelancongan Malaysia di dalam kempen tempatan dan luar negara untuk meningkatkan perkongsian pasarannya.

Swiss-Garden Golf Resort & Spa Damai Laut merupakan pemenang untuk dua tahun berturut-turut dalam kategori "Best Hotel Services 4-Star (Resort) 2008/2009" yang dianugerahkan oleh Kementerian Pelancongan.

SGI yang berpengalaman dalam perniagaan perhotelan, sentiasa mencari sumber dan meluaskan perkhidmatan pengurusannya ke hartanah tempatan dan antarabangsa yang tidak dimiliki Kumpulan. Kami juga akan menguruskan apartmen berperkhidmatan dengan pelancaran awal Swiss-Garden Residences Kuala Lumpur pada pertengahan tahun 2011.

www.swissgarden.com

Bagi tahun dalam ulasan, Bahagian Timeshare yang diwakili oleh Swiss-Garden International Vacation Club (SGIVC) menghadapi tahun yang paling mencabar semenjak memulakan perniagaan pada tahun 2001. Ekonomi yang tidak menentu menyebabkan ramai pembeli prospektif mengurangkan rancangan mengembara, oleh itu menghasilkan pendapatan dan keuntungan yang lebih rendah berbanding dengan tahun-tahun lepas.

Dalam tempoh ini, SGIVC telah mengambil peluang untuk menumpukan usahanya ke atas meningkatkan tahap perkhidmatannya dan juga mengukuhkan penawaran produknya. Di antara inisiatif yang telah diambil ialah menubuhkan sebuah jabatan latihan dalaman untuk melatih dan melengkapkan kakitangan dengan kemahiran dan pengetahuan yang lebih baik untuk berkhidmat kepada ahli-ahli kami. Kami juga telah membangunkan dan memperkenalkan satu sistem tempahan atas talian yang juga dikenali sebagai "e-go holiday", iaitu yang pertama di dalam industri Timeshare di Malaysia. Sistem layan diri ini bertujuan untuk menjadikan akses untuk tempahan penginapan lebih mudah kepada semua ahli. "e-go holiday" telah menempa kejayaan yang besar kerana ahli-ahlinya telah membuat lebih daripada 5,000 tempahan penginapan secara sendiri.

Swiss-Garden Residences yang terletak di belakang Swiss-Garden Hotel Kuala Lumpur, dijangka siap pada pertengahan tahun 2011. Lokasinya yang strategik di satu enklaf bandar di tengah-tengah kota bersama dengan rekaan kontemporari modennya memenuhi objektif kelab percutian untuk menyediakan kemudahan berkualiti kepada ahli-ahlinya.

Kami percaya bahawa inisiatif ini akan mengukuhkan keupayaan Bahagian ini dengan harapan ekonomi yang meningkat dan akan membolehkannya mencartakan pertumbuhan baharunya pada tahun-tahun akan datang.

www.sgivacationclub.com

Wong Ah Chiew
Pengarah Urusan
11 Oktober 2010

董事主席报告

本人谨代表董事会，向各位汇报辟捷发展控股有限公司 (PJ Development Holdings Berhad) 集团截至2010年6月30日财政年度的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下所获6亿6千5百8十万令吉的营业额，较前财政年度的营业额6亿2千8百5十万令吉增加了5.93%。

回顾本财政年度，集团的税前盈利为7千4百3十万令吉，而前财政年度税前盈利为3千7百4十万令吉。至2010年6月30日为止，本集团每股有形资产净值为1令吉80仙。

股息

董事会已建议截至财政年度2010年6月30日，派发每股需扣所得税的5%首期及终期股息，此建议有待股东批准。

展望

根据全球经济综合表现来看，西方国家的经济将继续努力，争取各项改革措施的表现；相比之下，大多数亚洲国家表现良好。马来西亚的经济预计在2010年和2011年将分别有4.5%和5%的涨幅。政府公布的经济刺激方案加上更进一步的自由化政策，力图创造更良好的投资环境，应该能够刺激经济增长，但本国经济的复苏仍然取决于全球经济的稳定和增长。

消费者信心和企业景气呈积极趋势，房地产行业的市场依然乐观，普遍认为利率上调是一项渐进的过程，而且上调幅度小。辟捷发展集团也意识到公众对环境因素的关注，并会将这些元素纳入我们的发展计划，尤其是能够满足马来西亚绘测师协会(PAM)制订的绿色建筑指数标准(GBI)的发展计划。所有这些提议都有利于集团的房地产、建筑及建筑材料组。

电缆组会继续实施提升厂房设施及机械设备的计划，其海外投资也获得积极的回报。由时光分享组和瑞园国际管理(Swiss-Garden International Management)支持的酒店组依然受到经济动荡余波的影响。由于此组积极监测，并不断采取措施缓解严峻的市场形势，预计将继续对本集团的业绩做出积极的贡献。

在过去数年里，本集团已经落实了多项旨在加强本集团财政基础和长远价值的举措，这些努力从值得称扬的财务业绩中得到回报。也许更重要的是，在此期间我们已经采取措施，加强了各部门之间的核心竞争力，将更好的制度和流程安排到位，为市场提供更加优质的产品和服务。其中一些例子包括集团内各业务单位一共获得八项ISO9001证书。本集团现在能更好地面对未来的挑战，并充分利用潜在的机会。

排除一般经济状况下的任何不利发展因素，董事局认为本集团在下一个财政年度的营运将继续表现良好。

企业社会责任

回顾过去的财政年度，辟捷发展集团通过企业社会责任 (CSR) 的倡议开展了多种社区参与活动。

本集团全年与好几家慈善机构合作。我们在全国各地的发展项目上都扩大了社区门户的建设，让我们与购房者和居民的社区纽带关系更加密切。我们经常组织与环保有关的活动如植树和以环保为主题的活动等等，以促进上述关系并灌输养成保护环境的习惯。

为坚持我们的企业社会责任口号“携手共建美好的未来”(Together We Build a Brighter Future)，我们所有营业活动都极力主张延续发展的理念；环保已成为我们全面发展重要的一面。房地产组一直在我们发展的项目上积极探索并注入“绿色”技术，并把绿色建筑元素纳入我们的产业中，确保我们集团在未来的发展中能够通过认证。

人力资源发展

辟捷发展集团热衷于协助有知识、有能力的雇员实现职业晋升来鼓舞员工士气。我们重视员工的意见，并在协同合作的环境下欢迎各种新的构思。

我们采用了业绩效管理系统来调整本集团的目的和目标的一致性。我们相信，提供富有意义的反馈和指导可以提高员工的绩效。我们也非常重视员工的智慧和创造力。集团还强调为员工提供培训课程的重要性，不仅要有技术和业务技能的培训，还要有对个人发展和创造思维的培训。

鸣谢

本人谨代表董事局向各管理层和同仁表示衷心的感谢，正是因为大家的努力和辛勤工作，本集团才能取得现有的成就。

我们也要感谢各位股东，客户、业务伙伴，银行以及执法机构人员对我们的信任和支持。

本人代表集团表达我们对Encik Mohamed Zain Bin Mohamed Yusoff 的诚挚谢意，感谢他在担任公司董事和主席期间对公司的奉献和支持。

YM Ungku Haji Mohd Afandi
Bin Ungku Suleiman
董事主席
2010年10月11日

房地产发展

2009年第4季，辟捷发展集团开发位于Jalan Tun Razak的新商务大厦MENARA PJD已竣工，到现在为止，所有公司和行政单位已经完全租赁成功。另一个位于USJ，梳邦再也的发展计划，凯苑城(IMPIAN MERIDIAN)也竣工和100%售罄；也已经向购房者交屋。位于瑞园高级公寓(SWISS-GARDEN RESIDENCES)的双子大厦与位于吉隆坡Jalan Pudu著名的瑞园酒店(Swiss-Garden Hotel)只相隔于一座连接桥。这座标志型的发展计划几乎完全售罄，将于2011年年中竣工。

位于高尚商业中心Mont' Kiara Solaris和Dutamas Solaris之间的Sri Hartamas高档社区是DUTA KINGSBURY。这一个具备现代风格的发展计划包含高级公寓和联排别墅，发展总值(GDV)估计为6亿5千万令吉，预计将于2011年年头推介。

本集团在巴生谷(Klang Valley)下一个受到注重的发展计划将会是坐落在靠近吉隆坡(KL) - Bandar Baru Bangi - 加影(Kajang) - 布城(Putrajaya) - 吉隆坡国际机场(KLIA)之间的多媒体超级走廊一带的焦赖(CHERAS)综合发展计划。该项占地20.6英亩永久地契，将含概3座管理式服务公寓、2座办公楼和各种娱乐设施、零售商铺及餐厅，全位于绿色园林之间。这一个设施齐备、独具特色的地标性发展计划的发展总值(GDV)估计为7亿5千万令吉。

在北马地区，槟港城(HARBOUR PLACE)是槟城北海(Butterworth)第一个时尚都会，海涛轩(OCEAN VIEW RESIDENCES)是这里的第三个发展计划，并于2009年6月成功推介，且销售反应令人鼓舞。本集团正准备开发PARCEL 4地段，并于2011年第一季正式启动。该项发展计划将超过400间属于优质的混合型公寓，针对年轻新贵和大家庭的需求。该项目完成后，估计槟港城将值得8亿令吉的发展总值。

于东海岸，Sovereign Twin Villa和Link Bungalows是位于关丹皇宫岭(BUKIT ISTANA)的第3A期发展计划；迄今为止，90%的单位都已卖出。于2010年5月，一半的单位已经竣工并交屋。2010年8月推介的第3B期发展计划将推出最新设计的双子别墅。

彭亨州双溪加冷(SUNGAI KARANG)发展计划占地22英亩，属永久地契，与著名的关丹瑞园度假村(Swiss-Garden Resort & Spa Kuantan)只距离1公里，将成为辟捷发展集团在东海岸又一地标发展计划。命名为SWISS CORAL VILLE近海而建的第一期工程包括有服务式公寓单位，豪华花园别墅和商铺。该发展计划与东海岸经济区连成一体，符合政府的发展目标。政府正在促进大马经济的发展尤其是东海岸地区，该发展计划将于2011年第2季正式推展。

位于南马的公主城(Taman Putri Kulai)，辟捷发展集团最新推出的BOTANIC HOMES，提供宽敞、精心设计的单层联栋房屋。该发展计划已经完成35%，并已经售出一半。2010年7月我们也刚刚将嘉丽台山庄(MONT' CALLISTA)发展计划第一期工程竣工并交屋。经改善Tulipa II 三层半独立式洋房的设计将于2010年第2季正式推出。

该组坚持不懈的努力，已提高产品品质和服务水平。不断推行的措施还包括建设社区门户，实施回收计划，开展建筑工程质量评估(QLASSIC)和施工质量标准评估(CONQUAS)，举行业主聚会以及建立多种沟通途径等以参与社区的交流。

www.pjdprop.com.my

建筑

建筑组所呈报的盈利比上一期高，这是因为与2008年急剧上涨的材料价格相比，现时的材料价格保持相对稳定。营业额将有所下降，皆因好几个工程都已经接近尾声。建筑行业还是充满了挑战性，比如新工程推出明显放缓和竞争激烈的投标也阻碍获取新定单。由于这些限制条件，该组积极而谨慎参与本地新工程的投标活动。

今年该组完成并移交了在我国和泰国的两项工程。该组还在继续努力完成后期的泰国工程。

为了提高竞争力和市占率，该组一直专注于提供优值的产业和服务。2009年该组取得令人振奋的成绩，荣获大马建筑发展局(CIDB)授予QLASSIC(地产行业组)金奖的唯一得主，认同了该组对提供优质产业所付出的努力。为了保证业务的持续性发展，该组加倍努力，找出并处理各种风险因素，提高控制措施和反应能力。该组很有信心明年可以提高业绩表现。

www.pjd.com.my

电缆

回顾本财务年度，电缆组的营业额与前财政年度的营业额相比下依然保持强劲。增长率停滞不前的部分原因主要是财政年度回顾中，上半年受到欧洲金融市场的不稳定因素影响，而财政年度下半年则由于市场状况获得改善得以缓和。

市场竞争非常激烈。因此，效率和盈利的不断提升始终是我们关注的事项。

下一个财政年度，本组希望政府继续发展基本设施建设，推动本地市场的需求。本组也推出新产品，并对生产设备进行升级以便提高生产量。如果目前的业务状况持续发展，销售额和税前盈利有望增长。

预计在越南的业务会继续提高在当地市场的占有额，并可以在下一个财政年度下半年的发展做出积极贡献。展望一片光明，并为将来的发展提供了大量商机。

www.olympic-cable.com.my

建材

建材组的核心业务是制造混凝墙板；回顾本财务年度，该组业绩发展依然良好。出口到新加坡的销售额大幅度增长，对本地市场的供应量也有所增加。

由于原材料价格不稳定影响销售价格，建材贸易的盈利也受到影响。

总括来说，该组在严峻的商业环境下仍旧得到预期的发展。展望未来，我们将不断研究开发，以确保我们能够有效地生产出优质的产品。我们也会不断探索新的市场，拓宽我们的产品范围。

www.pjdcpmalta.com

酒店与休闲

2009年大马旅游业呈积极提升倾向，入境游客人数有少量增加。但是全球市场还没有完全从金融危机中恢复过来，酒店组面临严峻的竞争局面，与上年度相比下营业盈利有所下降。

马来西亚旅游局继续努力，通过在主要市场进行大规模的促销活动以减轻经济放缓带来的影响，预计2010年到大马旅游的人数有2千4百万人。由瑞园国际(Swiss-Garden International)管理的旅游组将继续与马来西亚旅游局紧密合作，在本地市场和海外市场开展促销活动以便提高市场占有额。

Damai Laut 瑞园高尔夫球度假村(Swiss-Garden Golf Resort & Spa Damai Laut)连续两年夺得由马来西亚旅游局颁发的大马最佳酒店服务4星级(度假村)2008/2009 大奖。

凭借在酒店业务方面的经验与实力，瑞园国际正物色与扩张其管理服务至其它不属于集团旗下的国内外资产。2011年年中开始，我们也将会管理吉隆坡的瑞园高级公寓(SWISS-GARDEN RESIDENCES Kuala Lumpur)的服务式公寓。

www.swissgarden.com

根据对这段时间的回顾，由瑞园国际度假俱乐部(Swiss-Garden International Vacation Club)代表的时光分享组面临自2001年成立以来最严峻的挑战。经济未稳定因素使得许多潜在买家搁置了他们的旅行计划；与前几年相比，营业收入和盈利都有所下降。

在此期间，瑞园国际度假俱乐部借此机会集中力量改善服务水平，提高产品供应量。其中的一些举措包括建立内部培训部门以便对员工进行培训，使他们具备更好的技术和更多的知识以便为会员提供完善的服务。我们还开发并引进了线上预订系统“e-go holiday”，属于在大马时光分享行业首开先河。这种自助服务系统可以使我们的会员更加方便地进行酒店预订。“e-go holiday”获得了巨大成功，会员们已经自行完成5千多次的酒店预订。

坐落于吉隆坡瑞园酒店(Swiss-Garden Hotel Kuala Lumpur)后面的瑞园高级公寓，将于2011年年中竣工。该工程位于城市中心地带，地理位置优势明显，配合现代化的设计，完全能够满足休闲度假俱乐部为其会员提供优质住宿的目标。

我们相信这些倡议预料可以加强本组实现经济改善能力，并能在未来几年实现新的发展。

www.sgivacationclub.com

Wong Ah Chiew
董事经理
2010年10月11日

YM Ungku Haji Mohd Afandi bin Ungku Suleiman
a Malaysian, aged 63.

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 has 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 62.

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 Madam Khor Chai Moi, an Executive Director and a major shareholder 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 55.

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 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 directorships 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 Madam Khor Chai Moi, an Executive Director and major shareholder 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.

Madam Khor Chai Moi
a Malaysian, aged 58.

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.

Madam 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 Risk 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. She is also the sister-in-law of Mr Wong Chong Shee, the Deputy Managing Director of the Company.

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

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

Mr Yap Yoon Kong

a Malaysian, aged 53.

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 Risk Management Committee.

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

He is neither 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 Statements of this Annual Report.

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

Mr Au Chun Choong

a Malaysian, aged 58.

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 also a member of the Nominating Committee, Remuneration Committee and Risk 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 neither 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.

AUDIT COMMITTEE REPORT

Members

Au Chun Choong	Chairman & Independent Non-Executive Director
Ungku Haji Mohd Afandi Bin Ungku Suleiman	Independent Non-Executive Director
Mohamed Zain bin Mohamed Yusoff *(resigned with effect from 19 August 2010)*	Independent Non-Executive Director

Secretaries

Leong Keng Yuen
Wong Tiew Kim

Composition and Meetings

The Committee presently comprises two Independent Non-Executive Directors instead of the previous three due to the resignation of Encik Mohamed Zain bin Mohamed Yusoff on 19 August 2010. The present two Independent Non-Executive Directors are financially literate and one of them is a member of the Malaysian Institute of Accountants. The Company undertakes to fill the vacancy within three months.

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 of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR") that warrants reporting to the Bursa Securities.

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

Committee Members	Attendance of Meetings
Au Chun Choong *(Chairman)*	4/4
YM Ungku Haji Mohd Afandi Bin Ungku Suleiman	4/4
Mohamed Zain Bin Mohamed Yusoff *(resigned on 19 August 2010)*	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 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 2010. 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, six executives and an administrative 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 RM627,000 in respect of the financial year ended 30 June 2010.

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 2010.The audit engagements encompassed planned audits, investigative audits and special assignments as requested by the Management. The following activities were carried out during the year:-

- Conducted risk based audit 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. Nineteen assignments were completed.

- Conducted three investigative audits.

- Conducted eight 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 Group's employees.

- Coordinated the submission of Recurrent Related Parties Transactions from operating divisions concerned, reviewed them to ensure that they were within the mandated amount and prepared quarterly Recurrent Related Parties 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 Malaysia Securities Berhad 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.

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 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 controls 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 subsidiaries or Group including any transactions, procedures or course of conduct that raises questions of management integrity,

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

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

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

o) 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 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) the 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 the 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 the Bursa Securities.

Retirement or Resignation

In the event of any vacancy in the Audit Committee, resulting in the non-compliance of Paragraph 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 through the Nominating Committee shall assess the effectiveness of the Audit Committee at least annually and to determine whether such Audit Committee and members have carried out their duties in accordance with the Terms of Reference.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors is committed to maintain and practise high standards of transparency, accountability and integrity throughout the Group in ensuring continuous and sustainable growth for the interest of all its stakeholders. 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.

In this respect the Group has adopted the principles and recommendations of the Malaysian Code on Corporate Governance wherever applicable to protect and enhance shareholders' value and financial performance of the Group.

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.

1.2 Board Balance

The Board comprises six members of whom two are Independent Non-Executive Directors and four Executive Directors. Our Independent Non-Executive Chairman, Encik Mohamed Zain bin Mohamed Yusoff resigned on 19 August 2010. YM Ungku Mohd Afandi Bin Ungku Suleiman was appointed as Independent Non-Executive Chairman of the Company on 26 August 2010.

The current number of Non-Executive Directors on the Board is in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") which requires one third of the Board members to comprise of 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. 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 2010, four Board meetings were held and the summary of the attendance of each Director is as follows:-

Executive Directors	Attendance of Meetings
Wong Ah Chiew	4/4
Wong Chong Shee	3/4
Khor Chai Moi	4/4
Yap Yoon Kong	4/4
Non-Executive Directors	
Mohamed Zain Bin Mohamed Yusoff *(resigned on 19 August 2010)*	4/4
YM Ungku Haji Mohd Afandi bin Ungku Suleiman	4/4
Au Chun Choong	4/4

Board Committees

The Board has established various committees, authorised 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.

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 in compliance to the MMLR.

Encik Mohamed Zain Bin Mohamed Yusoff resigned as a Board member, Chairman of the Company and as an Audit Committee member on 19 August 2010.

Consequently with this resignation, the members of the Audit Committee were reduced to below the requisite number of three in accordance to the MMLR. The Company will ensure compliance with the appointment of such number of new Audit Committee members within three months of the date of resignation.

Nominating Committee

The Nominating Committee comprises two Independent Non-Executive Directors. The authority of this Committee covers recommendations to the Board on the appointment of new Directors and assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director. The Committee will meet as and when a meeting is called to nominate appointment to the Board and to evaluate Board and Board Committees' performance.

Remuneration Committee

Two Independent Non-Executive Directors and one Executive Director sit on this Committee. The Committee carries out annual reviews and recommends to the Board the remuneration package and directors' fees of the Executive Directors.

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.

Corporate Announcement and Compliance Committee

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

Risk Management Committee

The Risk Management Committee shall comprise three Directors of which at least one is an Independent Non-Executive Director and at least two nominated employees who are holding Senior Management positions in the Corporate Head Office. This Committee meets on a quarterly basis to review the adequacy of risks management process in the Group.

1.4 Directors' Training

Acknowledging 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, all directors are encouraged to attend relevant trainings and seminars throughout the financial year.

The Directors have attended training programs, seminars and forums during the year as follows:-

Change Toward Excellence with QOM Performance Solution Sdn Bhd
Blue Ocean Strategies by UCSI Blue Ocean Strategy Regional Centre
Investment Opportunities by CIMB Berhad
GST Seminar by BDO
Public Rulings for Property Development Companies by REHDA
Other New and Revised FRSs and Interpretations effective 2010 by Federation of Public Companies
Corporate Governance and Ethics : Strengthening Professionalism by Securities Industry Development Corporation
Economics and Capital Market: Forces shaping Global Capital Markets by Securities Industry Development Corporation
Forum on FRS 139 Financial Instrument : Recognition and Measurement by Bursa Malaysia Securities Berhad

1.5 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 Groups' various sites, projects and factories for inspection and updates on the progress of operations.

1.6 Re-election of Directors

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

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

2. DIRECTORS' REMUNERATION

The Remuneration Committee is responsible to review and recommend to the Board of Directors on the remuneration package and directors fees of the Executive Directors. In determining the remuneration package of the Executive Directors, the Remuneration Committee would consider amongst others, the Group's overall remuneration policy, the Group's performance for the year and the level of responsibility and contributions of each Executive Director.

The remuneration package of the Non-Executive Directors including directors' fees is determined by the Board as a whole.

The remuneration package of the Directors are as follows:-

i) Aggregate Remuneration

Remuneration	Executive Directors (RM)	Non-Executive Directors (RM)	Total (RM)
Fees	48,000	45,000	93,000
Directors' salary, other Emoluments and Benefits	3,655,529	-	3,655,529
Allowances	-	3,600	3,600

ii) Analysis of Remuneration

	No. of Directors	
Range of Remuneration	**Executive**	**Non-Executive**
< RM50,000	-	3*
RM400,000 - RM450,000	1	-
RM650,000 - RM700,000	1	-
RM1,150,000 - RM1,200,000	1	-
RM1,350,000 - RM1,400,000	1	-

Note : * A Non-Executive Director resigned on 19 August 2010.

3. SHAREHOLDERS

3.1 Communication

The Board 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 and any announcements of corporate exercises to Bursa Malaysia Securities Berhad.

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 for shareholders and the public to access corporate information, news and events related to the Group.

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

3.2 Annual General Meeting

The Annual General Meeting of the Company ("AGM") 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 Group, if necessary.

Any item of special business included in the Notice of the AGM will be accompanied by an explanation of the effects of the proposed resolution.

A press conference is normally held immediately after the meeting to facilitate press release of the Group's financial performance and operations.

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 Board 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 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.

5. Corporate Social Responsibility ("CSR")

The Board will ensure that all pertinent matters relating to Corporate Social Responsibility are carried out through its CSR policy objectives.

For the Environment, the Group will commit conscientious efforts to comply with requirements of relevant regulatory authorities on environmental quality issues with our eco-culture and environmental friendly policies.

For the Marketplace, the Board recognizes the importance of good corporate governance and is committed to maintaining the high standards of transparency, accountability and integrity.

For the Workplace, the Group is committed to providing a healthy and safe working environment. We will ensure that the employees are treated fairly and with dignity and with consideration for their goals and aspirations and that diversity in the workplace is embraced.

For the Community, the Group strives to be a good corporate citizen with our commitment to the communities' quality of life in the form of contribution and support of appropriate non-political and non-sectarian organisations, charities and funds and participation in community services work and projects.

More information of our CSR activities is set out in the Chairman's Review of this Annual Report.

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 15.27 of 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 its 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 Risk Management Committee (RMC). The Committee comprises three Directors and two senior managers whilst at the operations level, Risk 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:

- 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 and ad hoc reviews like special management reviews as requested by the Management, fraud investigation and other reviews 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 the 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. In addition, 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.

- 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 capital items for operational needs, where tenders are called for amounts exceeding RM100,000 per tender/contract or purchase. The composition of this Committee is mentioned in the Corporate Governance Statement.

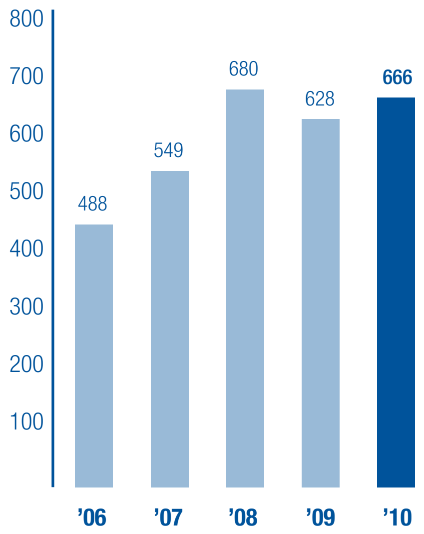
5. Conclusion

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.

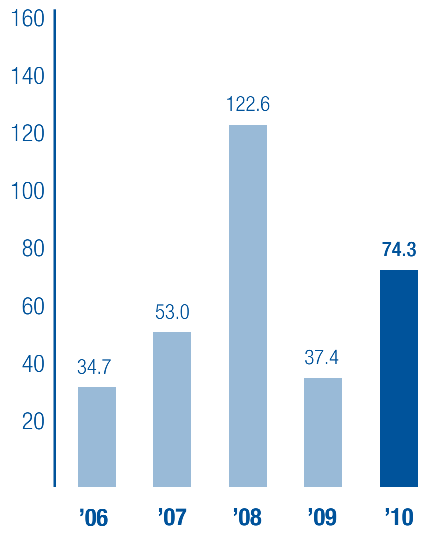
FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

Financial Year Ended (RM Million)	2010 June	2009 June	2008 June	2007 June	2006 June
Revenue	**666**	628	680	549	488
Profit Before Tax	**74.3**	37.4	122.6	53.0	34.7
Profit After Tax And Minority Interest	**52.7**	22.7	101.8	42.4	28.4
Paid-up Capital	**456**	456	456	456	456
Shareholders' Funds	**826**	787	793	702	662
Basic Earnings Per Share (sen)	**11.6**	5.0	22.3	9.3	6.3
Dividends Per Share (sen)	**5.0**	3.0	5.0	5.0	4.0
Net Tangible Assets Per Share (RM)	**1.80**	1.72	1.72	1.52	1.44

REVENUE (RM MILLION)



PROFIT BEFORE TAX (RM MILLION)



FINANCIAL STATEMENTS

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 2010.

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 11 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	**52,681**	**42,459**
Attributable to:		
Equity holders of the Company	**52,759**	**42,459**
Minority interests	**(78)**	**-**
	52,681	**42,459**

DIVIDENDS

Since the end of the previous financial year, the Company paid a first and final dividend of 3 sen per ordinary share, less tax of 25%, amounting to RM10,252,000 in respect of the financial year ended 30 June 2009 on 3 February 2010.

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 2010, 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 B.

Warrants

Warrants B

Pursuant to the Rights Issue which was completed on 31 October 2000, the Company issued 171,049,587 new ordinary shares of RM1.00 each at par together with 114,032,898 detachable warrants ('Rights Warrants') at no cost on the basis of three (3) Rights Shares together with two (2) Rights Warrants attached thereto for every five (5) existing ordinary shares of RM1.00 each held.

OPTIONS GRANTED OVER UNISSUED SHARES (CONTINUED)

Warrants (continued)

Warrants B (continued)

The exercise price of each Rights Warrant shall be RM1.10 per ordinary share for the first five (5) years of the exercise period and RM1.20 thereafter for the subsequent five (5) years or such adjusted price as may for the time being be applicable subject to the Deed Poll dated 14 August 2000. The exercise period shall commence from the date of issue of the Rights Warrants and will expire on 29 October 2010 at 5.00 p.m.. Notice to warrant holders dated 24 September 2010 has been despatched to all warrant holders notifying them of the forthcoming expiry date.

As at 30 June 2010, 114,032,898 Warrants B 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
Khor Chai Moi
Yap Yoon Kong
Au Chun Choong
Mohamed Zain bin Mohamed Yusoff (resigned on 19 August 2010)

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 (other than wholly-owned subsidiaries) during the financial year ended 30 June 2010 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 1.7.2009	**Bought**	**Sold**	**Balance as at 30.6.2010**
Shares in the Company				
Direct interests:				
Wong Ah Chiew	2,376,000	-	-	**2,376,000**
Wong Chong Shee	3,000,000	-	-	**3,000,000**
Khor Chai Moi	28,440,166	-	-	**28,440,166**
Indirect interests:				
Wong Ah Chiew *	94,097,681	-	-	**94,097,681**
Khor Chai Moi **	103,441,841	-	-	**103,441,841**
Yap Yoon Kong ***	376,500	-	-	**376,500**

DIRECTORS' INTERESTS (CONTINUED)

	Number of Warrant B			
	Balance as at 1.7.2009	Bought	Sold	Balance as at 30.6.2010
Warrants B in the Company				
Direct interests:				
Wong Ah Chiew	402,000	-	-	**402,000**
Wong Chong Shee	33	-	-	**33**
Khor Chai Moi	11,692,829	-	(1,612,000)	**10,080,829**
Indirect interests:				
Wong Ah Chiew ****	31,593,392	-	-	**31,593,392**
Khor Chai Moi *****	33,427,232	-	-	**33,427,232**

* By virtue of shares held by Dindings Consolidated Sdn. Bhd., Elegant Preference Sdn. Bhd., Jian Qi Holdings Sdn. Bhd. and through nominees.
** By virtue of shares held by Dindings Consolidated Sdn. Bhd., Ladang Setia Sdn. Bhd., family members and through nominees.
*** By virtue of shares held by a family member.
**** By virtue of warrants held by Dindings Consolidated Sdn. Bhd..
***** By virtue of warrants held by Dindings Consolidated Sdn. Bhd. and Ladang Setia Sdn. Bhd..

By virtue of their interests in the shares of the Company, Wong Ah Chiew and 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 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 36 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.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the income statements and balance sheets 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, other than debts 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, 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 except for the effects arising from the disposal of subsidiaries which resulting in an increase on the Company's profit for the financial year by RM42,436,000 as disclosed in Note 35 to the financial statements.

(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.

(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 (12) 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

During the financial year, the Group undertook an internal restructuring exercise for the proposed listing of OCC Cables Berhad ('OCB'), a wholly owned subsidiary of the Company, along with its subsidiaries on the Main Market of Bursa Malaysia Securities Berhad ('Proposed Listing'). The Proposed Listing was approved by the shareholders of the Company and the Securities Commission ('SC') on 26 November 2009 and 24 February 2010 respectively. Subsequently, on 17 August 2010, the Company announced that the Board of Directors did not intend to proceed with the Proposed Listing and allowed the SC's approval to lapse on 23 August 2010.

SIGNIFICANT EVENT SUBSEQUENT TO THE BALANCE SHEET DATE

On 26 July 2010, the Company announced the following proposals:

(i) a renounceable rights issue of up to 213,811,972 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 in the Company at an issue price of RM0.02 per Warrant C; and

(ii) a restricted issue of up to 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 the Warrants ('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 proposals were approved by Bank Negara Malaysia on 27 August 2010 and Bursa Malaysia Securities Berhad on 8 September 2010 respectively. The proposals were also approved by the shareholders of the Company at an Extraordinary General Meeting held on 11 October 2010.

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
11 October 2010

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 56 to 145 have been drawn up in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2010 and of the results of the operations of the Group and of the Company and of the cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Wong Ah Chiew
Director

Wong Chong Shee
Director

Kuala Lumpur
11 October 2010

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 145 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 11 October 2010.

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 balance sheets as at 30 June 2010 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 56 to 145.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2010 and of the results of the operations of the Group and of the Company and of the cash flows of the Group and of the Company for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965, 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 11 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 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 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

Gan Hock Soon
2853/06/12(J)
Chartered Accountant

Kuala Lumpur
11 October 2010

BALANCE SHEETS
as at 30 June 2010

	Note	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	**419,539**	391,106	**620**	567
Intangible assets	8	**4,568**	5,592	**-**	-
Prepaid lease payments for land	9	**13,411**	12,614	**-**	-
Investment properties	10	**162,629**	34,129	**-**	-
Investments in subsidiaries	11	**-**	-	**520,718**	479,657
Investments in associates	12	**44,379**	44,615	**-**	-
Other investments	13	**49,754**	46,261	**-**	-
Land held for property development	14	**143,284**	140,654	**-**	-
Deferred tax assets	15	**5,112**	3,394	**-**	-
Trade and other receivables	16	**30,795**	42,825	**-**	-
		873,471	721,190	**521,338**	480,224
Current assets					
Property development costs	17	**156,628**	331,302	**-**	-
Inventories	18	**43,900**	38,058	**-**	-
Trade and other receivables	16	**204,761**	223,553	**217,916**	263,974
Current tax assets		**9,628**	4,228	**3,356**	2,904
Cash and cash equivalents	19	**118,834**	85,071	**4,469**	1,387
		533,751	682,212	**225,741**	268,265
TOTAL ASSETS		**1,407,222**	1,403,402	**747,079**	748,489
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	20	**456,132**	456,132	**456,132**	456,132
Treasury shares	20	**(266)**	(266)	**(266)**	(266)
Reserves	21	**369,995**	331,399	**119,679**	87,472
		825,861	787,265	**575,545**	543,338
Minority interests		**86**	164	**-**	-
TOTAL EQUITY		**825,947**	787,429	**575,545**	543,338

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

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
LIABILITIES					
Non-current liabilities					
Trade and other payables	22	**6,129**	4,797	**-**	-
Borrowings	23	**99,094**	177,151	**7,822**	12,005
Deferred income	24	**39,891**	38,292	**-**	-
Deferred tax liabilities	15	**20,086**	16,827	**-**	-
		165,200	237,067	**7,822**	12,005
Current liabilities					
Trade and other payables	22	**200,019**	197,729	**126,018**	141,069
Borrowings	23	**206,913**	175,368	**37,694**	52,077
Deferred income	24	**2,784**	2,610	**-**	-
Current tax liabilities		**6,359**	3,199	**-**	-
		416,075	378,906	**163,712**	193,146
TOTAL LIABILITIES		**581,275**	615,973	**171,534**	205,151
TOTAL EQUITY AND LIABILITIES		**1,407,222**	1,403,402	**747,079**	748,489

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

INCOME STATEMENTS

for the financial year ended 30 June 2010

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue	27	**665,828**	628,485	**15,800**	24,691
Cost of sales and services	28	**(487,848)**	(485,188)	**(7,697)**	(6,954)
Gross profit		**177,980**	143,297	**8,103**	17,737
Other income		**14,795**	9,386	**44,164**	2,159
Administrative expenses		**(26,349)**	(24,338)	**(876)**	(753)
Other expenses		**(84,349)**	(84,589)	**(3,933)**	(832)
Finance costs		**(8,752)**	(8,707)	**(4,266)**	(5,455)
Share of profit of associates		**1,003**	2,384	**-**	-
Profit before tax	29	**74,328**	37,433	**43,192**	12,856
Tax expense	30	**(21,647)**	(14,747)	**(733)**	(599)
Profit for the financial year		**52,681**	22,686	**42,459**	12,257
Attributable to:					
Equity holders of the Company		**52,759**	22,623	**42,459**	12,257
Minority interests		**(78)**	63	**-**	-
		52,681	22,686	**42,459**	12,257
Basic earnings per ordinary share (sen)	31	**11.58**	4.96		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 30 June 2010

Group	Note	Share capital RM'000	Share premium RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
		Attributable to the equity holders of the Company							
Balance at 1 July 2008		456,132	39,773	4,730	(104)	292,301	792,832	101	792,933
Foreign currency translations		-	-	(10,941)	-	-	(10,941)	-	(10,941)
Net losses recognised directly in equity		-	-	(10,941)	-	-	(10,941)	-	(10,941)
Profit for the financial year		-	-	-	-	22,623	22,623	63	22,686
Repurchase of shares	20	-	-	-	(162)	-	(162)	-	(162)
Dividend paid to shareholders	32	-	-	-	-	(17,087)	(17,087)	-	(17,087)
Balance at 30 June 2009		456,132	39,773	(6,211)	(266)	297,837	787,265	164	787,429
Foreign currency translations		-	-	(3,911)	-	-	(3,911)	-	(3,911)
Net losses recognised directly in equity		-	-	(3,911)	-	-	(3,911)	-	(3,911)
Profit for the financial year		-	-	-	-	52,759	52,759	(78)	52,681
Dividend paid to shareholders	32	-	-	-	-	(10,252)	(10,252)	-	(10,252)
Balance at 30 June 2010		**456,132**	**39,773**	**(10,122)**	**(266)**	**340,344**	**825,861**	**86**	**825,947**

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

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 30 June 2010

Company	Note	Share capital RM'000	Non-Distributable Share premium RM'000	Distributable Treasury shares RM'000	Distributable Retained earnings RM'000	Total RM'000
Balance at 1 July 2008		456,132	39,773	(104)	52,529	548,330
Repurchase of shares	20	-	-	(162)	-	(162)
Profit for the financial year		-	-	-	12,257	12,257
Dividend paid to shareholders	32	-	-	-	(17,087)	(17,087)
Balance at 30 June 2009		456,132	39,773	(266)	47,699	543,338
Profit for the financial year		-	-	-	42,459	42,459
Dividend paid to shareholders	32	-	-	-	(10,252)	(10,252)
Balance at 30 June 2010		**456,132**	**39,773**	**(266)**	**79,906**	**575,545**

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

	Note	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		**74,328**	37,433	**43,192**	12,856
Adjustments for:					
Allowance for doubtful debts		**1,179**	2,150	**-**	-
Reversal of allowance for diminution in value of other investments		**(3,493)**	-	**-**	-
Allowance for doubtful debts no longer required		**(1,683)**	(25)	**-**	-
Amortisation of prepaid lease payments for land	9	**182**	178	**-**	-
Bad debts written off		**6**	2	**-**	-
Depreciation of investment properties	10	**2,447**	222	**-**	-
Depreciation of property, plant and equipment	7(a)	**15,156**	15,780	**146**	208
Dividend income		**(2,775)**	(2,387)	**(12,500)**	(21,391)
Gain on disposal of investment properties		**(1,053)**	-	**-**	-
Gain on disposal of subsidiaries	35	**-**	-	**(42,436)**	-
Impairment loss on goodwill on consolidation	8	**1,024**	1,023	**-**	-
Impairment loss on investment in subsidiaries	11	**-**	-	**3,275**	-
Interest expense		**8,752**	8,707	**4,266**	5,455
Interest income		**(2,091)**	(3,717)	**(1,586)**	(2,101)
Inventories written off		**11**	2	**-**	-
Inventories written down	18	**1,761**	3,934	**-**	-
Net (gain)/loss on disposal of property, plant and equipment		**(376)**	(187)	**(63)**	3
Property, plant and equipment written off	7	**264**	745	**-**	-
Other investments written off		**-**	225	**-**	-
Share of profit of associates		**(1,003)**	(2,384)	**-**	-
Unrealised loss on foreign exchange		**978**	123	**-**	-
Operating profit/(loss) before changes in working capital		**93,614**	61,824	**(5,706)**	(4,970)
Changes in working capital:					
Inventories		**8,632**	9,802	**-**	-
Property development costs and land held for property development		**31,923**	(71,394)	**-**	-
Trade and other receivables		**32,618**	32,754	**(81)**	(37)
Trade and other payables		**4,575**	(9,596)	**24**	997
Cash generated from/(used in) operating activities		**171,362**	23,390	**(5,763)**	(4,010)
Tax paid		**(23,347)**	(10,538)	**-**	-
Tax refunded		**1,695**	-	**1,190**	1,885
Net cash from/(used in) operating activities		**149,710**	12,852	**(4,573)**	(2,125)

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

CASH FLOW STATEMENTS
for the financial year ended 30 June 2010

	Note	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividends received		**2,081**	58,277	**10,125**	19,109
Decrease/(Increase) in pledged deposits placed with licensed banks	19	**4,484**	(688)	**-**	-
Interest received		**2,091**	3,717	**1,586**	2,101
Proceeds from disposal of property, plant and equipment		**524**	536	**64**	10
Proceeds from disposal of investment properties		**2,213**	-	**-**	-
Purchase of investment properties	10	**(139)**	(6,195)	**-**	-
Purchase of property, plant and equipment	7	**(46,381)**	(28,925)	**(200)**	(210)
Purchase of additional leasehold land	9	**(1,262)**	-	**-**	-
Repayment by subsidiaries		**-**	-	**31,064**	12,123
Subscription of shares in subsidiaries		**-**	-	**(1,900)**	(4,300)
Net cash (used in)/from investing activities		**(36,389)**	26,722	**40,739**	28,833
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid		**(16,931)**	(19,532)	**(4,266)**	(5,455)
Dividend paid to shareholders of the Company	32	**(10,252)**	(17,087)	**(10,252)**	(17,087)
Drawdowns of loans and borrowings		**98,954**	222,573	**-**	-
Repayments of loans and borrowings		**(142,822)**	(174,618)	**(18,566)**	(8,606)
Repurchase of shares	20	**-**	(162)	**-**	(162)
Net cash (used in)/from financing activities		**(71,051)**	11,174	**(33,084)**	(31,310)
Net increase/(decrease) in cash and cash equivalents		**42,270**	50,748	**3,082**	(4,602)
Effect of exchange rate fluctuations on cash held		**(1,184)**	790	**-**	-
Cash and cash equivalents at beginning of financial year		**63,260**	11,722	**1,387**	5,989
Cash and cash equivalents at end of financial year	19	**104,346**	63,260	**4,469**	1,387

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 11 October 2010.

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 11 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

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') in Malaysia and the provisions of the Companies Act, 1965.

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.

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries made up to the end of the financial year using the purchase method of accounting.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.2 Basis of consolidation (continued)

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 4.9 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 income statement any excess remaining after that reassessment.

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

Subsidiaries are consolidated from the acquisition date, which is the date on which the Group effectively obtains control, until the date on which the Group ceases to control the subsidiaries. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the existence and effect of potential voting rights that are currently convertible or exercisable are taken into consideration.

Intragroup balances, transactions and unrealised gains and losses on intragroup transactions are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

The gain or loss on disposal of a subsidiary, which is the difference between the net disposal proceeds and the Group's share of its net assets as of the date of disposal including the carrying amount of goodwill and the cumulative amount of any exchange differences that relate to the subsidiary, is recognised in the consolidated income statement.

Minority interest is the portion of the profit or loss and the net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Group. It is measured at the minority's share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minority's share of changes in the subsidiaries' equity since that date.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.2 Basis of consolidation (continued)

Minority interest is presented in the consolidated balance sheet within equity and is presented in the consolidated statement of changes in equity separately from equity attributable to equity holders of the Company.

Minority interest in the results of the Group is presented in the consolidated income statement as an allocation of the total profit or loss for the financial year between minority interest and equity holders of the Company.

Changes in the Company's ownership in a subsidiary that do not result in a loss of control are accounted for as equity transactions. If the Company loses control of a subsidiary, the assets and liabilities of the subsidiary are derecognised at their carrying amounts at the date when control is lost and any resulting difference with the fair value of the consideration received will be recognised in the income statement.

4.3 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 the income statement 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.

Property that is being constructed for future use as investment property is accounted as property, plant and equipment until construction or development is complete, at which time it will be reclassified as investment property based on the carrying amount at the date of transfer.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.3 Property, plant and equipment and depreciation (continued)

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
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	3 – 5 years

Freehold land and freehold golf course is 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 the income statement. The non-depreciation of base stock together with the charging of subsequent replacement cost to the income statement has no material effect on the financial statements as compared to the capitalisation and depreciation of base stock.

At each balance sheet date, 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 4.10 to the financial statements on impairment of assets).

The residual values, useful lives and depreciation method are reviewed at each financial year end 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 the income statement and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.4 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 the income statement 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.

(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.

Leasehold land that normally has an indefinite economic life and where the lease does not transfer substantially all the risk and rewards incidental to ownership is treated as an operating lease. The lump-sum upfront payments made on entering into or acquiring leasehold land are accounted for as prepaid lease payments and are amortised over the lease term on a straight-line basis.

The buildings element is classified as a finance or operating lease in accordance with Note 4.4(a) or Note 4.4(b) to the financial statements. If the lease payment cannot be allocated reliably between these two elements, the entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.4 Leases and hire purchase (continued)

(c) Leases for land and buildings (continued)

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.

The prepaid lease payments are amortised over the lease term ranging from 49 years to 91 years.

4.5 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 and is stated at the lower of cost and net realisable value.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.6 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.

4.7 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 4.3 to the financial statements.

For buildings, depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of 50 years. Freehold land is not depreciated.

Investment properties are derecognised when either they have been disposed off 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 income statement in the period of the retirement or disposal.

4.8 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, if any. On disposal of such an investment, the difference between the net disposal proceeds and its carrying amount is included in income statement.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.8 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, if any.

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 balance sheet is initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets of the investment.

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 interest 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 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. Where the reporting dates of the financial statements are not coterminous, the share of results is arrived at using the latest audited financial statements for which the difference in reporting dates is no more than three (3) 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 income statement.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.8 Investments (continued)

(c) Other investments

Non-current investments other than investments in subsidiaries, associates and investment properties are stated at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the period in which the decline is identified.

If in a subsequent period, the amount of the decline decreases, the previously recognised allowance for diminution in value is reversed. Such reversal shall be recognised in the income statement.

All current investments are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investments.

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

4.9 Intangible assets

Goodwill

Goodwill acquired in a business combination is recognised as an asset at the acquisition date and is initially measured at cost being 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. 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 value 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, liabilities and contingent 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, liabilities and contingent 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.

4.10 Impairment of assets

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.10 Impairment of assets (continued)

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.

Following the adoption of FRS 8 *Operating Segments* as disclosed in Note 4.20 to the financial statements, the consequential amendment to FRS 136 *Impairment of Assets* is also mandatory for financial periods beginning on or after 1 July 2009. This amendment requires goodwill acquired in a business combination to 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.

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 the income statement 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 the income statement 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 the income statement.

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 the income statement 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 the income statement, a reversal of that impairment loss is also recognised in the income statement.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.11 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.

4.12 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.

(a) Financial instruments recognised on the balance sheets

Financial instruments are recognised on the balance sheets, when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and losses and gains relating to a financial instrument or a component that is a financial liability shall be recognised as income or expense in income statement. Distributions to holders of an equity instrument are debited directly to equity, net of any related tax effect. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.12 Financial instruments (continued)

(a) Financial instruments recognised on the balance sheets (continued)

(i) Receivables

Trade receivables and other receivables, including any amounts owing by associates and related parties, are carried at anticipated realisable value. Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection.

Receivables are not held for trading purposes.

(ii) Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, deposits with licensed financial institutions and other short term, highly liquid investments with original maturities of three (3) months or less, which are readily convertible to cash and are subject to insignificant risk of changes in value. For the purpose of the cash flow statements, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(iii) Payables

Liabilities for trade and other amounts payable, including any amounts owing to associates and related parties, are measured initially and subsequently at the consideration to be paid in the future for goods and services received. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

(iv) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(v) 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 the income statement.

Dividends to shareholders are recognised in equity in the period in which they are declared.

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 income statement 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)

4.12 Financial instruments (continued)

(b) Financial instruments not recognised on the balance sheets

There are no financial instruments not recognised on the balance sheets.

4.13 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 the income statement. 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 income statement in the period in which they are incurred.

4.14 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.

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

(a) Current tax

Current tax is the amount of income taxes payable or receivable in respect of the taxable profit or loss for a period.

Current tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted by the balance sheet date.

(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 balance sheet 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.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.14 Income taxes (continued)

(b) Deferred tax (continued)

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 each balance sheet date. 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.

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.

Deferred tax will be recognised as income or expense and included in the income statement 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 at the balance sheet date.

4.15 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 each balance sheet date 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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.16 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.

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 minority interest.

4.17 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 contribution to their respective countries' statutory pension scheme. 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.

4.18 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)

4.18 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 balance sheet date 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 the income statement 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 off or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

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 income statement 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 income statement 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 balance sheet date.

4.19 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 have been transferred to the customer and where the Group retains neither continuing managerial involvement over the goods, which coincides with delivery of goods and services and acceptance by customers.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.19 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 the income statement 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.

(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 balance sheet date. 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.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.19 Revenue recognition (continued)

(d) Property development (continued)

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.

4.20 Operating segments

During the previous financial year, segment reporting was presented based on business segments and geographical segments of the Group. Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those components operating in other economic environments.

Following the adoption of FRS 8 *Operating Segments* during the current financial year, 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);

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.20 Operating segments (continued)

Following the adoption of FRS 8 *Operating Segments* during the current financial year, operating segments are defined as components of the Group that (continued):

(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 ten (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 ten (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 ten (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 seventy five (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.

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs

5.1 New FRS adopted during the current financial year

FRS 8 *Operating Segments* and the consequential amendments resulting from FRS 8 are mandatory for annual financial periods beginning on or after 1 July 2009.

FRS 8 sets out the requirements for disclosure of information on the Group's operating segments, product and services, the geographical areas in which it operates and its customers.

The requirements of this Standard are based on the information about the components of the Group that management uses to make decisions about operating matters. This Standard requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and assess its performance, as elaborated in Note 4.20 to the financial statements.

In accordance with the transitional provisions of FRS 8, segment information for prior years that is reported as comparative information for the initial year of application has been restated to conform to requirements of FRS 8, as disclosed in Note 37 to the financial statements.

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

5.2 New FRSs not adopted

(a) FRS 4 *Insurance Contracts* and the consequential amendments resulting from FRS 4 are mandatory for annual financial periods beginning on or after 1 January 2010. FRS 4 replaces the existing FRS 202$_{2004}$ *General Insurance Business* and FRS 203$_{2004}$ *Life Insurance Business*.

This Standard applies to all insurance contracts, including reinsurance contracts that an entity issues and to reinsurance contracts that it holds. This Standard prohibits provisions for potential claims under contracts that are not in existence at the reporting date, and requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets. This Standard also requires an insurer to keep insurance liabilities in its balance sheet until they are discharged or cancelled, or expire, and to present insurance liabilities without offsetting them against related reinsurance assets.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this Standard.

(b) FRS 7 *Financial Instruments: Disclosures* and the consequential amendments resulting from FRS 7 are mandatory for annual financial periods beginning on or after 1 January 2010. FRS 7 replaces the disclosure requirements of the existing FRS 132 *Financial Instruments: Disclosure and Presentation*.

This Standard applies to all risks arising from a wide array of financial instruments and requires the disclosure of the significance of financial instruments for an entity's financial position and performance. By virtue of the exemption provided under paragraph 44AB of FRS 7, the impact of applying FRS 7 on the consolidated financial statements upon first adoption of the FRS as required by paragraph 30(b) of FRS 108 is not disclosed.

(c) FRS 123 *Borrowing Costs* and the consequential amendments resulting from FRS 123 are mandatory for annual periods beginning on or after 1 January 2010.

This Standard removes the option of immediately recognising as an expense borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. However, capitalisation of borrowing costs is not required for assets measured at fair value, and inventories that are manufactured or produced in large quantities on a repetitive basis, even if they take a substantial period of time to get ready for use or sale.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this Standard.

(d) FRS 139 *Financial Instruments: Recognition and Measurement* and the consequential amendments resulting from FRS 139 are mandatory for annual financial periods beginning on or after 1 January 2010.

This Standard establishes the principles for the recognition and measurement of financial assets and financial liabilities including circumstances under which hedge accounting is permitted. By virtue of the exemption provided under paragraph 103AB of FRS 139, the impact of applying FRS 139 on the financial statements upon first adoption of the FRS as required by paragraph 30(b) of FRS 108 is not disclosed.

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

5.2 New FRSs not adopted (continued)

(e) Amendments to FRS 2 *Share-based Payment: Vesting Conditions and Cancellations* are mandatory for annual financial periods beginning on or after 1 January 2010.

These amendments clarify that vesting conditions comprise service conditions and performance conditions only. Cancellations by parties other than the Group are accounted for in the same manner as cancellations by the Group itself and features of a share-based payment that are non-vesting conditions are included in the grant date fair value of the share-based payment.

These amendments are not applicable to the Group's operations.

(f) Amendments to FRS 1 *First-time Adoption of Financial Reporting Standards* and FRS 127 *Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity* or *Associate* is mandatory for annual periods beginning on or after 1 January 2010.

These amendments allow first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The cost method of accounting for an investment has also been removed pursuant to these amendments.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of these amendments.

(g) IC Interpretation 9 *Reassessment of Embedded Derivatives* is mandatory for annual financial periods beginning on or after 1 January 2010.

This Interpretation prohibits the subsequent reassessment of embedded derivatives unless there is a change in the terms of the host contract that significantly modifies the cash flows that would otherwise be required by the host contract.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this Interpretation.

(h) IC Interpretation 10 *Interim Financial Reporting and Impairment* is mandatory for annual financial periods beginning on or after 1 January 2010.

This Interpretation prohibits the reversal of an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this Interpretation.

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

5.2 New FRSs not adopted (continued)

(i) IC Interpretation 11 *FRS 2 – Group and Treasury Share Transactions* is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation requires share-based payment transactions in which the Company receives services from employees as consideration for its own equity instruments to be accounted for as equity-settled, regardless of the manner of satisfying the obligations to the employees.

If the Company grants rights to its equity instruments to the employees of its subsidiaries, this Interpretation requires the Company to recognise the equity reserve for the obligation to deliver the equity instruments when needed whilst the subsidiaries shall recognise the remuneration expense for the services received from employees.

If the subsidiaries grant rights to equity instruments of the Company to its employees, this Interpretation requires the Company to account for the transaction as cash-settled, regardless of the manner the subsidiaries obtain the equity instruments to satisfy its obligations.

This IC Interpretation is not applicable to the Group's operations.

(j) IC Interpretation 13 *Customer Loyalty Programmes* is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation requires the separation of award credits as a separately identifiable component of sales transactions involving the award of free or discounted goods or services in the future. The fair value of the consideration received or receivable from the initial sale shall be allocated between the award credits and the other components of the sale.

If the Group supplies the awards itself, the consideration allocated to the award credits shall only be recognised as revenue when the award credits are redeemed. If a third party supplies the awards, the Group shall assess whether it is acting as a principal or agent in the transaction.

If the Group is acting as the principal in the transaction, it shall measure its revenue as the gross consideration allocated to the award credits. If the Group is acting as an agent, it shall measure its revenue as the net amount retained on its own account, and recognise the net amount as revenue when the third party becomes obliged to supply the awards and entitled to receive the consideration for doing so.

This IC Interpretation is not applicable to the Group's operations.

(k) IC Interpretation 14 *FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation applies to all post-employment defined benefits and other long-term employee defined benefits. This Interpretation clarifies that an economic benefit is available if the Group can realise it at some point during the life of the plan or when the plan liabilities are settled, and that it does not depend on how the Group intends to use the surplus.

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

5.2 New FRSs not adopted (continued)

(k) IC Interpretation 14 *FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* is mandatory for annual periods beginning on or after 1 January 2010 (continued).

A right to refund is available to the Group in stipulated circumstances and the economic benefit available shall be measured as the amount of the surplus at the balance sheet date less any associated costs. If there are no minimum funding requirements, the economic benefit available shall be determined as a reduction in future contributions as the lower of the surplus in the plan and the present value of the future service cost to the Group. If there is a minimum funding requirement for contributions relating to the future accrual of benefits, the economic benefit available shall be determined as a reduction in future contributions at the present value of the estimated future service cost less the estimated minimum funding required in each financial year.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this Interpretation.

(l) FRS 101 *Presentation of Financial Statements* is mandatory for annual periods beginning on or after 1 January 2010.

FRS 101 sets out the overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their content.

This Standard introduces the titles 'statement of financial position' and 'statement of cash flows' to replace the current titles 'balance sheet' and 'cash flow statement' respectively. A new statement known as the 'statement of comprehensive income' is also introduced in this Standard whereby all non-owner changes in equity are required to be presented in either one statement of comprehensive income or in two statements (i.e. a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity.

This Standard also introduces a new requirement to present a statement of financial position as at the beginning of the earliest comparative period if there are applications of retrospective restatements that are defined in FRS 108, or when there are reclassifications of items in the financial statements.

Additionally, FRS 101 requires the disclosure of reclassification adjustments and income tax relating to each component of other comprehensive income, and the presentation of dividends recognised as distributions to owners together with the related amounts per share in the statement of changes in equity or in the notes to the financial statements.

This Standard introduces a new requirement to disclose information on the objectives, policies and processes for managing capital based on information provided internally to key management personnel as defined in FRS 124 *Related Party Disclosures*. Additional disclosures are also required for puttable financial instruments classified as equity instruments.

Apart from the new presentation and disclosure requirements described, the Group does not expect any other material impact on the consolidated financial statements arising from the adoption of this Standard.

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

5.2 New FRSs not adopted (continued)

(m) Amendments to FRS 139, FRS 7 and IC Interpretation 9 are mandatory for annual periods beginning on or after 1 January 2010.

These amendments permit reclassifications of non-derivative financial assets (other than those designated at fair value through income statement upon initial recognition) out of the fair value through income statement category in rare circumstances. Reclassifications from the available-for-sale category to the loans and receivables category are also permitted provided there is intention and ability to hold that financial asset for the foreseeable future. All of these reclassifications shall be subjected to subsequent reassessments of embedded derivatives.

These amendments also clarify the designation of one-sided risk in eligible hedged items and streamlines the terms used throughout the Standards in accordance with the changes resulting from FRS 101.

By virtue of the exemptions provided under paragraphs 103AB of FRS 139 and 44AB of FRS 7, the impact of applying these amendments on the consolidated financial statements upon first adoption of the FRS 139 and FRS 7 respectively as required by paragraph 30(b) of FRS 108 are not disclosed. However, the Group does not expect any material impact on the consolidated financial statements arising from the adoption of these amendments.

(n) Amendments to FRS 132 *Financial Instruments: Presentation* is mandatory for annual periods beginning on or after 1 January 2010.

These amendments require certain puttable financial instruments, and financial instruments that impose an obligation to deliver to counterparties a pro rata share of the net assets of the entity only on liquidation to be classified as equity.

Puttable financial instruments are defined as financial instruments that give the holder the right to put the instrument back to the issuer for cash, or another financial asset, or are automatically put back to the issuer upon occurrence of an uncertain future event or the death or retirement of the instrument holder.

Presently, the Group does not expect any impact on the consolidated financial statements arising from the adoption of this Standard. However, the Group is in the process of assessing the impact of this Standard in conjunction with the implementation of FRS 139 and would only be able to provide further information in the interim financial statements followed by the next annual financial statements.

(o) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2010.

(i) Amendment to FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* clarifies that the disclosure requirements of this Standard specifically apply to non-current assets (or disposal groups) classified as held for sale or discontinued operations.

This amendment is not applicable to the Group's operations.

(ii) Amendment to FRS 8 clarifies the consistency of disclosure requirement for information about profit or loss, assets and liabilities. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

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

5.2 New FRSs not adopted (continued)

(o) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2010 (continued).

(iii) Amendment to FRS 107 *Statement of Cash Flows* clarifies the classification of cash flows arising from operating activities and investing activities. Cash payments to manufacture or acquire assets held for rental to others and subsequently held for sale, and the related cash receipts, shall be classified as cash flows from operating activities. Expenditures that result in a recognised asset in the statement of financial position are eligible for classification as cash flows from investing activities. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(iv) Amendment to FRS 108 clarifies that only Implementation Guidance issued by the MASB that are integral parts of FRSs is mandatory. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(v) Amendment to FRS 110 *Events after the Reporting Period* clarifies the rationale for not recognising dividends declared after the reporting date but before the financial statements are authorised for issue. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(vi) Amendment to FRS 116 *Property, Plant and Equipment* removes the definition pertaining the applicability of this Standard to property that is being constructed or developed for future use as investment property but do not yet satisfy the definition of ‘investment property’ in FRS 140 *Investment Property*. This amendment also replaces the term ‘net selling price’ with ‘fair value less costs to sell’, and clarifies that proceeds arising from routine sale of items of property, plant and equipment shall be recognised as revenue in accordance with FRS 118 *Revenue* rather than FRS 5. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(vii) Amendment to FRS 117 *Leases* removes the classification of leases of land and of buildings, and instead, requires assessment of classification based on the risks and rewards of the lease itself. The reassessment of land elements of unexpired leases shall be made retrospectively in accordance with FRS 108. As at the reporting date, the Group has carrying amount of prepaid lease payments for land of RM13,411,000 (2009: RM12,614,000) (see Note 9 to the financial statements). The Group expects to reclassify the prepaid lease payments for land as land held in accordance with FRS 116 upon adoption of this amendment and shall present a statement of financial position as at the beginning of the earliest comparative period in accordance with FRS 101.

(viii) Amendment to FRS 118 clarifies reference made on the term ‘transaction costs’ to the definition in FRS 139. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(ix) Amendment to FRS 119 *Employee Benefits* clarifies the definitions in this Standard by consistently applying settlement dates within twelve (12) months in the distinction between short-term employee benefits and other long-term employee benefits. This amendment also provides additional explanations on negative past service cost and curtailments. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

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

5.2 New FRSs not adopted (continued)

(o) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2010 (continued).

(x) Amendment to FRS 120 *Accounting for Government Grants and Disclosure of Government Assistance* streamlines the terms used in this Standard in accordance with the new terms used in FRS 101.

This amendment is not applicable to the Group's operations.

(xi) Amendment to FRS 123 clarifies that interest expense calculated using the effective interest rate method described in FRS 139 qualifies for recognition as borrowing costs. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(xii) Amendment to FRS 127 *Consolidated and Separate Financial Statements* clarifies that investments measured at cost shall be accounted for in accordance with FRS 5 when they are held for sale in accordance with FRS 5. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(xiii) Amendment to FRS 128 *Investments in Associates* clarifies that investments in associates held by venture capital organisations, or mutual funds, unit trusts and similar entities shall make disclosures on the nature and extent of any significant restrictions on the ability of associates to transfer funds to the investor in the form of cash dividends, or repayment of loans or advances. This amendment also clarifies that impairment loss recognised in accordance with FRS 136 *Impairment of Assets* shall not be allocated to any asset, including goodwill, that forms the carrying amount of the investment. Accordingly, any reversal of that impairment loss shall be recognised in accordance with FRS 136. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(xiv) Amendment to FRS 129 *Financial Reporting in Hyperinflationary Economies* streamlines the terms used in this Standard in accordance with the new terms used in FRS 101. This amendment also clarifies that assets and liabilities that are measured at fair value are exempted from the requirement to apply historical cost basis of accounting.

This amendment is not applicable to the Group's operations.

(xv) Amendment to FRS 131 *Interests in Joint Ventures* clarifies that venturers' interests in jointly controlled entities held by venture capital organisations, or mutual funds, unit trusts and similar entities shall make disclosures on related capital commitments. This amendment also clarifies that a listing and description of interests in significant joint ventures and the proportion of ownership interest held in jointly controlled entities shall be made.

This amendment is not applicable to the Group's operations.

(xvi) Amendment to FRS 134 *Interim Financial Reporting* clarifies the need to present basic and diluted earnings per share for an interim period when the entity is within the scope of FRS 133 *Earnings Per Share*. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

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

5.2 New FRSs not adopted (continued)

(o) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2010 (continued).

(xvii) Amendment to FRS 136 clarifies the determination of allocation of goodwill to each cash-generating unit whereby each unit shall not be larger than an operating segment as defined in FRS 8 before aggregation. This amendment also requires additional disclosures if the fair value less costs to sell is determined using discounted cash flow projections. Presently, the Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(xviii) Amendment to FRS 138 *Intangible Assets* clarifies the examples provided in this Standard in measuring the fair value of an intangible asset acquired in a business combination. This amendment also removes the statement on the rarity of situations whereby the application of the amortisation method for intangible assets results in a lower amount of accumulated amortisation than under the straight-line method. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(xix) Amendment to FRS 140 clarifies that properties that are being constructed or developed for future use as investment property are within the definition of 'investment property'. This amendment further clarifies that if the fair value of such properties cannot be reliably determinable but it is expected that the fair value would be readily determinable when construction is complete, the properties shall be measured at cost until either its fair value becomes reliably determinable or construction is completed, whichever is earlier. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(p) Amendments to FRS 132 is mandatory for annual periods beginning on or after 1 January 2010 and 1 March 2010 in respect of the transitional provisions in accounting for compound financial instruments and classification of rights issues respectively.

These amendments remove the transitional provisions in respect of accounting for compound financial instruments issued before 1 January 2003 pursuant to FRS 132_{2004} *Financial Instruments: Disclosure and Presentation*. Such compound financial instruments shall be classified into its liability and equity components when FRS 139 first applies.

The amendments also clarifies that rights, options or warrants to acquire a fixed number of the Group's own equity instruments for a fixed amount of any currency shall be classified as equity instruments rather than financial liabilities if the Group offers the rights, options or warrants pro rata to all of its own existing owners of the same class of its own non-derivative equity instruments.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of these amendments.

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

5.2 New FRSs not adopted (continued)

(q) FRS 1 *First-time Adoption of Financial Reporting Standards* is mandatory for annual periods beginning on or after 1 July 2010.

This Standard supersedes the existing FRS 1 and shall be applied when the Group adopts FRSs for the first time via the explicit and unreserved statement of compliance with FRSs. An opening FRS statement of financial position shall be prepared and presented at the date of transition to FRS, whereby:

(i) All assets and liabilities shall be recognised in accordance with FRSs;
(ii) Items of assets and liabilities shall not be recognised if FRSs do not permit such recognition;
(iii) Items recognised in accordance with previous Generally Accepted Accounting Principles ('GAAP') shall be reclassified in accordance with FRSs; and
(iv) All recognised assets and liabilities shall be measured in accordance with FRSs.

All resulting adjustments shall therefore be recognised directly in retained earnings at the date of transition to FRSs.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this Standard.

(r) FRS 3 *Business Combinations* is mandatory for annual periods beginning on or after 1 July 2010.

This Standard supersedes the existing FRS 3 and now includes business combinations involving mutual entities and those achieved by way of contract alone. Any non-controlling interest in an acquiree shall be measured at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The time limit on the adjustment to goodwill due to the arrival of new information on the crystallisation of deferred tax benefits shall be restricted to the measurement period resulting from the arrival of the new information. Contingent liabilities acquired arising from present obligations shall be recognised, regardless of the probability of outflow of economic resources.

Acquisition-related costs shall be accounted for as expenses in the periods in which the costs are incurred and the services are received. Consideration transferred in a business combination, including contingent consideration, shall be measured and recognised at fair value at acquisition date.

In business combinations achieved in stages, the acquirer shall remeasure its previously held equity interest at its acquisition date fair value and recognise the resulting gain or loss in income statement.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this Standard.

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

5.2 New FRSs not adopted (continued)

(s) FRS 127 *Consolidated and Separate Financial Statements* is mandatory for annual periods beginning on or after 1 July 2010.

This Standard supersedes the existing FRS 127 and replaces the current term 'minority interest' with a new term 'non-controlling interest' which is defined as the equity in a subsidiary that is not attributable, directly or indirectly, to a parent. Accordingly, total comprehensive income shall be attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. If the Group loses control of a subsidiary, any gains or losses are recognised in income statement and any investment retained in the former subsidiary shall be measured at its fair value at the date when control is lost.

As at the reporting date, the Group reports minority interests of RM86,000. The Group expects to reclassify this as non-controlling interests and remeasure the non-controlling interests prospectively in accordance with the transitional provisions of FRS 127.

(t) Amendments to FRSs are mandatory for annual periods beginning on or after 1 July 2010, except for Amendments to FRS 139 which is mandatory for annual periods beginning on or after 1 January 2010.

(i) Amendments to FRS 2 *Share-based Payments* clarifies that transactions in which the Group acquired goods as part of the net assets acquired in a business combination or contribution of a business on the formation of a joint venture are excluded from the scope of this Standard.

These amendments are not applicable to the Group's operations.

(ii) Amendments to FRS 5 clarifies that non-current asset classified as held for distribution to owners acting in their capacity as owners are within the scope of this Standard. The amendment also clarifies that in determining whether a sale is highly probable, the probability of shareholders' approval, if required in the jurisdiction, shall be considered. In a sale plan involving loss of control of a subsidiary, all assets and liabilities of that subsidiary shall be classified as held for sale, regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale. Discontinued operations information shall also be presented. Non-current asset classified as held for distribution to owners shall be measured at the lower of its carrying amount and fair value less costs to distribute. These amendments are not applicable to the Group's operations.

(iii) Amendments to FRS 138 clarifies that the intention of separating an intangible asset is irrelevant in determining the identifiability of the intangible asset. In a separate acquisition and acquisition as part of a business combination, the price paid by the Group reflects the expectations of the Group of an inflow of economic benefits, even if there is uncertainty about the timing or the amount of the inflow. Accordingly, the probability criterion is always considered to be satisfied for separately acquired intangible assets. The useful life of a reacquired right recognised as an intangible asset in a business combination shall be the remaining contractual period of the contract in which the right was granted, and do not include renewal periods. In the case of a reacquired right in a business combination, if the right is subsequently reissued to a third party, the related carrying amount shall be used in determining the gain or loss on reissue. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of these amendments.

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

5.2 New FRSs not adopted (continued)

(t) Amendments to FRSs are mandatory for annual periods beginning on or after 1 July 2010, except for Amendments to FRS 139 which is mandatory for annual periods beginning on or after 1 January 2010 (continued).

(iv) Amendments to FRS 139 remove the scope exemption on contracts for contingent consideration in a business combination. Accordingly, such contracts shall be recognised and measured in accordance with the requirements of FRS 139. The Group does not expect any material impact on the consolidated financial statements arising from the adoption of these amendments.

(v) Amendments to IC Interpretation 9 clarifies that embedded derivatives in contracts acquired in a business combination, combination of entities or business under common controls, or the formation of a joint venture are excluded from this Interpretation. These amendments are not applicable to the Group's operations.

(u) IC Interpretation 12 *Service Concession Arrangements* is mandatory for annual periods beginning on or after 1 July 2010.

This Interpretation applies to operators for public-to-private service concession arrangements, whereby infrastructure within the scope of this Interpretation shall not be recognised as property, plant and equipment of the operator. The operator shall recognise and measure revenue in accordance with FRS 111 *Construction Contracts* and FRS 118 for the services performed. The operator shall also account for revenue and costs relating to construction or upgrade services in accordance with FRS 111.

Consideration received or receivable by the operator for the provision of construction or upgrade services shall be recognised at its fair value. If the consideration consists of an unconditional contractual right to receive cash or another financial asset from the grantor, it shall be classified as a financial asset. Conversely, if the consideration consists of a right to charge users of the public service, it shall be classified as an intangible asset.

This IC Interpretation is not applicable to the Group's operations.

(v) IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation* is mandatory for annual periods beginning on or after 1 July 2010.

This Interpretation applies to hedges undertaken on foreign currency risk arising from net investments in foreign operations and the Group wishes to qualify for hedge accounting in accordance with FRS 139.

Hedge accounting is applicable only to the foreign exchange differences arising between the functional currency of the foreign operation and the functional currency of any parent (immediate, intermediate or ultimate parent) of that foreign operation. An exposure to foreign currency risk arising from a net investment in a foreign operation may qualify for hedge accounting only once in the consolidated financial statements.

Hedging instruments designated in the hedge of a net investment in a foreign operation may be held by any companies within the Group, as long as the designation, documentation and effectiveness requirements of FRS 139 are met. This IC Interpretation is not applicable to the Group's operations.

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

5.2 New FRSs not adopted (continued)

(w) IC Interpretation 17 *Distributions of Non-cash Assets to Owners* is mandatory for annual periods beginning on or after 1July 2010.

This Interpretation applies to non-reciprocal distributions of non-cash assets by the Group to its owners in their capacity as owners, as well as distributions that give owners a choice of receiving either non-cash assets or a cash alternative. This Interpretation also applies to distributions in which all owners of the same class of equity instruments are treated equally.

The liability to pay a dividend shall be recognised when the dividend is appropriately authorised and is no longer at the discretion of the Group. The liability shall be measured at the fair value of the assets to be distributed. If the Group gives its owners a choice of receiving either a non-cash asset or a cash alternative, the dividend payable shall be estimated by considering the fair value of both alternatives and the associated probability of the owners' selection.

At the end of each reporting period, the carrying amount of the dividend payable shall be remeasured and any changes shall be recognised in equity. At the settlement date, any difference between the carrying amounts of the assets distributed and the carrying amount of the dividend payable shall be recognised in income statement.

This IC Interpretation is not applicable to the Group's operations.

(x) Amendment to FRS 1 *Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters* is mandatory for annual periods beginning on or after 1 January 2011.

This amendment permits a first-time adopter of FRSs to apply the exemption of not restating comparatives for the disclosures required in Amendments to FRS 7 (see Note 5.2(y) to the financial statements).

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment.

(y) Amendments to FRS 7 *Improving Disclosures about Financial Instruments* are mandatory for annual periods beginning on or after 1 January 2011.

These amendments require enhanced disclosures of fair value of financial instruments based on the fair value hierarchy, including the disclosure of significant transfers between Level 1 and Level 2 of the fair value hierarchy as well as reconciliations for fair value measurements in Level 3 of the fair value hierarchy.

By virtue of the exemption provided under paragraph 44G of FRS 7, the impact of applying these amendments on the financial statements upon first adoption of FRS 7 as required by paragraph 30(b) of FRS 108 are not disclosed.

(z) Amendments to FRS 1 *Additional Exemptions for First-time Adopters* are mandatory for annual periods beginning on or after 1 January 2011.

These amendments permit a first-time adopter of FRSs to apply the exemption of not restating the carrying amounts of oil and gas assets determined under previous GAAP.

These amendments are not applicable to the Group's operations.

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

5.2 New FRSs not adopted (continued)

(A) Amendments to FRS 2 *Group Cash-settled Share-based Payment Transactions* are mandatory for annual periods beginning on or after 1 January 2011.

These amendments clarify the scope and the accounting for group cash-settled share-based payment transactions in the separate financial statements of the entity receiving the goods or services when that entity has no obligation to settle the share-based payment transactions.

Consequently, IC Interpretation 8 *Scope of FRS 2* and IC Interpretation 11 have been superseded and withdrawn.

These amendments are not applicable to the Group's operations.

(B) IC Interpretation 4 *Determining whether an Arrangement contains a Lease* is mandatory for annual periods beginning on or after 1 January 2011.

This Interpretation requires the determination of whether an arrangement is, or contains, a lease based on an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and whether the arrangement conveys a right to use the asset. This assessment shall be made at the inception of the arrangement and subsequently reassessed if certain condition(s) in the Interpretation is met.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment because there are no arrangements dependent on the use of specific assets in the Group.

(C) IC Interpretation 18 *Transfers of Assets from Customers* is mandatory for annual periods beginning on or after 1 January 2011.

This Interpretation applies to agreements in which an entity receives from a customer an item of property, plant and equipment that must be used to either connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services. The entity receiving the transferred item is required to assess whether the transferred item meets the definition of an asset set out in the Framework. The credit entry would be accounted for as revenue in accordance with FRS 118.

The Group does not expect any material impact on the consolidated financial statements arising from the adoption of this amendment because there are no such arrangements in the Group.

(D) IC Interpretation 15 *Agreements for the Construction of Real Estate* is mandatory for annual periods beginning on or after 1 January 2012.

This Interpretation applies to the accounting for revenue and associated expenses by entities undertaking construction or real estate directly or via subcontractors. Within a single agreement, the Group may contract to deliver goods or services in addition to the construction of real estate. Such an agreement shall therefore, be split into separately identifiable components.

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

5.2 New FRSs not adopted (continued)

(D) IC Interpretation 15 *Agreements for the Construction of Real Estate* is mandatory for annual periods beginning on or after 1 January 2012 (continued).

An agreement for the construction of real estate shall be accounted for in accordance with FRS 111 if the buyer is able to specify the major structural elements of the design of the real estate before construction begins and/or specify major structural changes once construction is in progress. Accordingly, revenue shall be recognised by reference to the stage of completion of the contract.

An agreement for the construction of real estate in which buyers only have limited ability to influence the design of the real estate or to specify only minor variations to the basic designs is an agreement for the sale of goods in accordance with FRS 118. Accordingly, revenue shall be recognised by reference to the criteria in paragraph 14 of FRS 118 (e.g. transfer of significant risks and rewards, no continuing managerial involvement nor effective control, reliable measurement, etc.).

At the reporting date, the Group recognises revenue and associated costs from the construction of real estate by reference to the stage of completion of the construction works. The Group is in the process of assessing the impact of implementing this Interpretation since the effects would only be observable for the financial year ending 30 June 2013.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 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) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on FRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(b) 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.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

6.1 Critical judgements made in applying accounting policies (continued)

(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.

6.2 Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date 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 the income statement 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 judgements, 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 the income statement 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 judgments, the Group evaluates based on past experience and by relying on the work of specialists.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

6.2 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) Allowance for doubtful debts

The Group makes allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowances are 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 allowance for doubtful debts, 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 value of receivables.

(g) Allowance for diminution in value of investments

The Group makes allowance for diminution in value of investments based on an assessment of whether there is a decline in the value of such investments that is other than temporary. The assessment involves judgement and is made based on amongst others, historical performance of the investments and current market conditions that may have an impact on the market value of the investments.

(h) 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.

(i) Amount due from the subsidiaries

The Company makes allowance for doubtful debts based on an assessment of the recoverability of amount due from subsidiaries. Allowances are applied to amount due where events or changes in circumstances indicate that the carrying amounts may not be recoverable.

(j) 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.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

6.2 Key sources of estimation uncertainty (continued)

(k) Fair values of other investments

The methods and assumptions used by the management to determine fair values of other investments are as follows:

(i) The fair value of quoted investments is the closing market price at the balance sheet date.

(ii) Fair value, in the absence of an active market, is estimated by using discounted cash flow analysis. Estimated future cash flows and discount rates are based on current market information and rates applicable to financial instruments with similar yield, credit quality and maturity characteristics. Estimated future cash flows are influenced by factors such as economic conditions (including country specific risks), concentrations in specific industries, types of instruments or currencies, market liquidity and financial conditions of counter-parties. Discount rates are influenced by risk-free interest rates and credit risk.

7. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.7.2009 RM'000	Additions RM'000	Disposals RM'000	Write off RM'000	Depreciation charge for the financial year (Note 7(a)) RM'000	Reclassi-fications RM'000	Translation adjustments RM'000	Balance as at 30.6.2010 RM'000
Carrying amount								
Freehold hotel properties	137,231	149	-	-	(3,442)	-	(141)	133,797
Leasehold hotel properties	64,321	445	-	-	(1,620)	-	-	63,146
Freehold golf course	15,332	-	-	-	-	-	-	15,332
Freehold land	47,376	-	-	-	-	-	(160)	47,216
Buildings and improvements	41,386	991	-	-	(1,095)	671	(398)	41,555
Jetty and infrastructure	23,936	4	-	-	(593)	-	-	23,347
Plant, machinery and electrical installation	15,558	2,569	(16)	-	(2,942)	-	(477)	14,692
Motor vehicles and boats	2,113	1,274	(23)	-	(823)	-	(23)	2,518
Hotel furniture, fittings and equipment	20,811	3,203	(20)	(159)	(3,498)	31	(1)	20,367
Furniture, fittings and equipment	9,445	2,691	(85)	(97)	(1,928)	20	(9)	10,037
Computers	1,117	340	(4)	(8)	(385)	-	(1)	1,059
Construction-in-progress	12,480	34,715	-	-	-	(722)	-	46,473
	391,106	46,381	(148)	(264)	(16,326)	-	(1,210)	419,539

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	At 30.6.2010		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold hotel properties	147,236	(13,439)	133,797
Leasehold hotel properties	71,554	(8,408)	63,146
Freehold golf course	15,332	-	15,332
Freehold land	47,216	-	47,216
Buildings and improvements	49,881	(8,326)	41,555
Jetty and infrastructure	29,466	(6,119)	23,347
Plant, machinery and electrical installation	69,890	(55,198)	14,692
Motor vehicles and boats	9,521	(7,003)	2,518
Hotel furniture, fittings and equipment	66,191	(45,824)	20,367
Furniture, fittings and equipment	24,840	(14,803)	10,037
Computers	5,260	(4,201)	1,059
Construction-in-progress	46,473	-	46,473
	582,860	(163,321)	419,539

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Balance as at 1.7.2008 RM'000	Additions RM'000	Disposals RM'000	Write off RM'000	Adjustment* RM'000	Depreciation charge for the financial year RM'000	Reclassi-fications RM'000	Transfer to prepaid lease payments for land (Note 9) RM'000	Transfer to investment properties (Note 10) RM'000	Translation adjustments RM'000	Balance as at 30.6.2009 RM'000
Carrying amount											
Freehold hotel properties	141,231	12	-	(22)	(53)	(3,430)	-	-	-	(507)	137,231
Leasehold hotel properties	66,381	319	-	-	(824)	(1,555)	-	-	-	-	64,321
Freehold golf course	20,447	-	-	-	(84)	-	-	(5,031)	-	-	15,332
Freehold land	57,617	8	-	-	-	-	-	-	(9,723)	(526)	47,376
Buildings and improvements	35,497	2,113	-	(12)	-	(996)	4,677	-	-	107	41,386
Jetty and infrastructure	24,532	5	-	-	(11)	(590)	-	-	-	-	23,936
Plant, machinery and electrical installation	9,091	8,217	-	(1)	-	(1,783)	-	-	-	34	15,558
Motor vehicles and boats	3,206	165	-	-	-	(1,255)	(6)	-	-	3	2,113
Hotel furniture, fittings and equipment	23,412	1,804	-	(584)	-	(3,719)	(92)	-	-	(10)	20,811
Furniture, fittings and equipment	8,398	2,076	(347)	(14)	-	(2,012)	1,343	-	-	1	9,445
Computers	1,110	456	(2)	(2)	-	(440)	(3)	-	-	(2)	1,117
Construction-in-progress	11,388	13,750	-	(110)	-	-	(5,919)	-	(6,629)	-	12,480
	402,310	28,925	(349)	(745)	(972)	(15,780)	-	(5,031)	(16,352)	(900)	391,106

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

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	At 30.6.2009		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold hotel properties	147,240	(10,009)	137,231
Leasehold hotel properties	71,109	(6,788)	64,321
Freehold golf course	15,332	-	15,332
Freehold land	47,376	-	47,376
Buildings and improvements	48,624	(7,238)	41,386
Jetty and infrastructure	29,462	(5,526)	23,936
Plant, machinery and electrical installation	69,191	(53,633)	15,558
Motor vehicles and boats	9,160	(7,047)	2,113
Hotel furniture, fittings and equipment	63,385	(42,574)	20,811
Furniture, fittings and equipment	22,628	(13,183)	9,445
Computers	5,003	(3,886)	1,117
Construction-in-progress	12,480	-	12,480
	540,990	(149,884)	391,106

Company	Balance as at 1.7.2009 RM'000	Additions RM'000	Disposals RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2010 RM'000
Carrying amount					
Computers	**140**	**67**	**-**	**(40)**	**167**
Furniture, fittings and equipment	**116**	**133**	**(1)**	**(29)**	**219**
Motor vehicles	**311**	**-**	**-**	**(77)**	**234**
	567	**200**	**(1)**	**(146)**	**620**

	At 30.6.2010		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Computers	**509**	**(342)**	**167**
Furniture, fittings and equipment	**676**	**(457)**	**219**
Motor vehicles	**400**	**(166)**	**234**
	1,585	**(965)**	**620**

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Balance as at 1.7.2008 RM'000	Additions RM'000	Disposals RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2009 RM'000
Carrying amount					
Computers	54	140	-	(54)	140
Furniture, fittings and equipment	74	70	(13)	(15)	116
Motor vehicles	450	-	-	(139)	311
	578	210	(13)	(208)	567

	At 30.6.2009		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Computers	458	(318)	140
Furniture, fittings and equipment	545	(429)	116
Motor vehicles	659	(348)	311
	1,662	(1,095)	567

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

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Income statement	**15,156**	15,780	**146**	208
Amount due from customers for contract works (Note 16 (d))	**1,170**	-	**-**	-
	16,326	15,780	**146**	208

(b) Security

The freehold land and buildings of the Group with a carrying amount of RM11,073,000 (2009: RM11,410,000) 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 RM149,943,000 (2009: RM153,144,000) 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 RM46,367,000 (2009: RM3,480,000) have been pledged to banks for credit facilities granted to the Group (Note 23).

8. INTANGIBLE ASSETS

	Group 2010 RM'000	Group 2009 RM'000
Cost		
Balance as at 30 June	**6,615**	6,615
Less: Accumulated amortisation		
Balance as at 1 July	**(1,023)**	-
Charge for the financial year	**(1,024)**	(1,023)
Balance as at 30 June	**(2,047)**	(1,023)
Carrying amount	**4,568**	5,592

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 2010 RM'000	Group 2009 RM'000
Manufacturing and trading	**2,183**	3,207
Hotel and leisure	**2,385**	2,385
	4,568	5,592

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).

An impairment loss on goodwill amounting to RM1,024,000 (2009: RM1,023,000) relating to a subsidiary, PJD Malta Sdn. Bhd., has been recognised during the financial year due to declining business as a result of transfer of its business operations to another subsidiary, PJDCP Malta Sdn. Bhd..

9. PREPAID LEASE PAYMENTS FOR LAND

Group	Balance as at 1.7.2009 RM'000	Additions RM'000	Amortisation charge for the financial year RM'000	Translation adjustments RM'000	Balance as at 30.6.2010 RM'000
Carrying amount					
Leasehold land	**12,614**	**1,262**	**(182)**	**(283)**	**13,411**

9. PREPAID LEASE PAYMENTS FOR LAND (CONTINUED)

	At 30.6.2010		
	Cost RM'000	Accumulated amortisation RM'000	Carrying amount RM'000
Leasehold land	**14,674**	**(1,263)**	**13,411**

Group	Balance as at 1.7.2008 RM'000	Transfer from property, plant and equipment (Note 7) RM'000	Amortisation charge for the financial year RM'000	Translation adjustments RM'000	Balance as at 30.6.2009 RM'000
Carrying amount					
Leasehold land	7,664	5,031	(178)	97	12,614

	At 30.6.2009		
	Cost RM'000	Accumulated amortisation RM'000	Carrying amount RM'000
Leasehold land	13,714	(1,100)	12,614

	Group	
	2010 RM'000	2009 RM'000
Analysed as:		
Long term leasehold land	**11,843**	10,725
Short term leasehold land	**1,568**	1,889
	13,411	12,614

The leasehold land of certain subsidiaries with carrying value of RM5,210,000 (2009: RM5,285,000) are pledged to licensed financial institutions to secure banking facilities granted to certain subsidiaries (Note 23).

10. INVESTMENT PROPERTIES

Group	Balance as at 1.7.2009 RM'000	Additions RM'000	Disposals RM'000	Transfer from property development costs (Note 17) RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2010 RM'000
Carrying amount						
Freehold land	15,967	-	(1,160)	40,651	-	55,458
Buildings	18,162	139	-	91,317	(2,447)	107,171
	34,129	139	(1,160)	131,968	(2,447)	162,629

	At 30.6.2010		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	55,458	-	55,458
Buildings	110,453	(3,282)	107,171
	165,911	(3,282)	162,629
Fair Value			
At 30 June 2010			194, 733

Group	Balance as at 1.7.2008 RM'000	Additions RM'000	Transfer from property, plant and equipment (Note 7) RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2009 RM'000
Carrying amount					
Freehold land	6,244	-	9,723	-	15,967
Buildings	5,560	6,195	6,629	(222)	18,162
	11,804	6,195	16,352	(222)	34,129

10. INVESTMENT PROPERTIES (CONTINUED)

	At 30.6.2009		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	15,967	-	15,967
Buildings	18,997	(835)	18,162
	34,964	(835)	34,129
Fair Value			
At 30 June 2009			45,875

Investment properties comprise a number of shop lots, condominium units, supermarket premises and office cum commercial premise that are leased to third parties. Each of the leases contains an initial non-cancellable period of one year (Note 25) except for the 2 units of supermarket premises and the office cum commercial premise which contain an initial non-cancellable period of 6 years and 3 years respectively. Subsequent renewals are negotiated with the lessee. No contingent rents are charged.

The fair value of the investment properties were derived from property agencies and valuation performed by independent professional valuers.

Investment properties of certain subsidiaries with a carrying value of RM153,742,000 (2009: RM27,244,000) 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	
	2010 RM'000	2009 RM'000
Generating rental income		
Building insurance	**90**	12
Service charges	**51**	42
Quit rent and assessment	**237**	32
Security service	**258**	-
Maintenance	**272**	-
Utilities	**1,159**	-
Other expenses	**18**	5
	2,085	91
Non-generating rental income		
Quit rent and assessment	**34**	40
Security services	**12**	12
Building insurance	**7**	-
Other expenses	**3**	7
	56	59

11. INVESTMENTS IN SUBSIDIARIES

	Company 2010 RM'000	Company 2009 RM'000
Unquoted equity shares, at cost	**529,193**	484,857
Less: Impairment losses (2009: net of impairment written off of RM18,455,000 during internal restructuring exercise)	**(8,475)**	(5,200)
	520,718	479,657

In the previous financial year, the Group undertook an internal restructuring exercise to streamline the efficiency of the group corporate structure. The restructuring was completed on 1 November 2008.

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Equity interest 2010 %	Equity interest 2009 %	Principal activities
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
Eframe Sdn. Bhd.	Malaysia	**100**	100	Software consultancy, product development and maintenance
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
Rose Villa Management Services Sdn. Bhd.	Malaysia	**100**	100	Dormant
PTC Management Services Sdn. Bhd.	Malaysia	**100**	100	Provision of property management services

11. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of company	Country of incorporation	Equity interest 2010 %	Equity interest 2009 %	Principal activities
OCC Cables Berhad and its subsidiaries	Malaysia	**100**	-	Investment holding
Olympic Cable Company Sdn.Bhd. and its subsidiaries #	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
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
Swiss-Garden Management Services Sdn. Bhd.	Malaysia	**100**	100	Hotel and restaurant business
MM Hotels Sdn. Bhd.	Malaysia	**100**	100	Hotel and restaurant business
Damai Laut Golf Resort Sdn. Bhd. and its subsidiary	Malaysia	**99**	99	Development and investment in resort property, hotel and restaurant business and operation of golf course
DLHA Management Services Sdn. Bhd.	Malaysia	**99**	99	Provision of property management sevices
PJD Land Sdn. Bhd.	Malaysia	**100**	100	Leasing of office cum commercial building

11. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of company	Country of incorporation	Equity interest 2010 %	Equity interest 2009 %	Principal activities
PJD Landmarks Sdn. Bhd. (formerly known as Wahyu Sdn. Bhd.)	Malaysia	**100**	100	Dormant
PJD Malta Sdn. Bhd.	Malaysia	**100**	100	Trading of building materials
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. (formerly known as Pravest Sdn. Bhd.)	Malaysia	**100**	100	Property development
PJD Properties Management Sdn. Bhd.	Malaysia	**100**	100	Provision of project management services
PJD Realty Sdn. Bhd.	Malaysia	**100**	100	Investment holding
PJD Regency Sdn. Bhd.	Malaysia	**100**	100	Property development
PJD Sejahtera Sdn. Bhd. (formerly known as Sanubari 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

11. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of company	Country of incorporation	Equity interest 2010 %	Equity interest 2009 %	Principal activities
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
Swiss-Garden Rewards Sdn. Bhd. and its subsidiary	Malaysia	**70**	70	Marketing of timeshare memberships
Swiss-Garden Rewards (Singapore) Pte. Ltd.*	Singapore	**70**	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.

\# The status of these subsidiaries have been changed from direct to indirect as a result of the Group internal restructuring exercise pursuant to the proposed lisitng of cables and wires division of the Group during the financial year.

An impairment loss on investments in subsidiaries amounting to RM2,275,000 and RM1,000,000 relating to subsidiaries, PJD Malta Sdn. Bhd. and PJD Realty Sdn. Bhd. respectively, has been recognised during the financial year due to declining business operations. The declining business in PJD Malta Sdn. Bhd. was as a result of the transfer of its business operations to another subsidiary, PJDCP Malta Sdn. Bhd..

12. INVESTMENTS IN ASSOCIATES

	Group 2010 RM'000	Group 2009 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	**20,458**	20,694
	44,379	44,615

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

The details of the associates are as follows:

Name of company	Country of incorporation	Group Equity interest 2010 %	2009 %	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 informations of the associates are as follows:

	Group 2010 RM'000	2009 RM'000
Assets and liabilities		
Non-current assets	**28,505**	28,394
Current assets	**136,471**	149,892
Total assets	**164,976**	178,286
Current liabilities	**3,030**	15,476
Total liabilities	**3,030**	15,476
Results		
Revenue	**6,407**	15,388
Profit for the financial year	**3,654**	8,697

(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 2010 RM'000	2009 RM'000
Loss for the financial year	**2**	2
Accumulated losses	**11**	8

13. OTHER INVESTMENTS

	Group	
	2010 RM'000	2009 RM'000
Non-current		
Unquoted shares in Malaysia, at cost	**34**	34
Quoted shares in Malaysia, at cost	**61,843**	61,843
Less: Allowance for diminution in value	**(12,123)**	(15,616)
	49,720	46,227
	49,754	46,261
Market value:		
Quoted shares in Malaysia	**50,286**	42,769

In the previous financial year, no additional allowance for diminution in value was made although the market value was lower than the carrying amount as at the end of financial year as the Directors were of the view that the decline in market value was only temporary.

Certain quoted shares in Malaysia with a carrying value of RM45,578,000 (2009: RM44,248,000) have been pledged to licensed financial institutions as security for banking facilities granted to the Company (Note 23).

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

14. LAND HELD FOR PROPERTY DEVELOPMENT

		Group	
	Note	2010 RM'000	2009 RM'000
Carrying amount			
Opening balance		**140,654**	117,748
Additions		**5,763**	27,345
Translation adjustment		**(86)**	-
Transfer to property development costs	17	**(3,047)**	(4,439)
Closing balance		**143,284**	140,654
Representing:			
Land		**123,369**	124,962
Land development costs		**19,915**	15,692
		143,284	140,654

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 2010 RM'000	Group 2009 RM'000
Interest expense	**1,380**	1,167

Interest is capitalised in land held for property development at rates ranging from 4.0% to 7.55% (2009: 4.8% to 6.0%) per annum.

Certain land held for property development with a carrying value of RM54,718,000 (2009: RM46,179,000) 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 2010 RM'000	Group 2009 RM'000
Opening balance	**13,433**	8,412
Recognised in income statement (Note 30)	**1,541**	5,021
Closing balance	**14,974**	13,433
Presented after appropriate offsetting:		
Deferred tax assets, net	**(5,112)**	(3,394)
Deferred tax liabilities, net	**20,086**	16,827
	14,974	13,433

(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 30 June 2008	(6,786)	(15,759)	10,294	87	(12,164)
Recognised in the income statement	(1)	(1,600)	(3,062)	-	(4,663)
At 30 June 2009	(6,787)	(17,359)	7,232	87	(16,827)
Recognised in the income statement	-	(1,434)	(1,825)	-	(3,259)
At 30 June 2010	**(6,787)**	**(18,793)**	**5,407**	**87**	**(20,086)**

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 (continued):

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	Total RM'000
At 30 June 2008	1,608	10,216	24	2,198	(10,294)	3,752
Recognised in the income statement	(821)	(2,186)	(24)	(389)	3,062	(358)
At 30 June 2009	787	8,030	-	1,809	(7,232)	3,394
Recognised in the income statement	1,216	(2,566)	1,552	(309)	1,825	1,718
At 30 June 2010	**2,003**	**5,464**	**1,552**	**1,500**	**(5,407)**	**5,112**

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

	Group	
	2010 RM'000	2009 RM'000
Deductible temporary differences	**16,345**	15,816
Taxable temporary differences	**(38,012)**	(36,390)
Unused tax losses		
- No expiry date	**35,919**	34,060
- Expire by 30 June 2013	**962**	1,133
- Expire by 30 June 2014	**1,144**	1,840
- Expire by 30 June 2015	**896**	-
Unabsorbed capital allowances	**57,056**	54,699
	74,310	71,158

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

	Note	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
Non-current					
Trade					
Third parties	a,b	**24,844**	26,064	**-**	-
Retention sum - associate	c	**-**	2,452	**-**	-
- third parties	c	**5,951**	14,309	**-**	-
	g	**30,795**	42,825	**-**	-
Current					
Trade					
Third parties	a	**152,252**	148,925	**-**	-
Accrued billings		**5,858**	16,960	**-**	-
Amount due from customers for contract works	d	**22,452**	27,573	**-**	-
Retention sum - third parties	c	**12,428**	8,245	**-**	-
		192,990	201,703	**-**	-
Less: Allowance for doubtful debts - third parties	b	**(6,654)**	(7,468)	**-**	-
		186,336	194,235	**-**	-
Non-trade					
Associate		**627**	325	**-**	-
Subsidiaries	e	**-**	-	**217,312**	263,451
Other receivables	f	**12,046**	23,881	**328**	277
Deposits		**4,945**	4,472	**127**	127
Prepayments		**2,489**	2,012	**149**	119
		20,107	30,690	**217,916**	263,974
Less: Allowance for doubtful debts – other receivables		**(1,682)**	(1,372)	**-**	-
		18,425	29,318	**217,916**	263,974
	g	**204,761**	223,553	**217,916**	263,974

(a) Trade receivables are non-interest bearing and the normal credit terms granted by the Group range from 30 to 90 days (2009: 30 to 90 days).

Trade receivables of the Group include timeshare membership fees amounting RM49,571,000 (2009: RM51,810,000) receivable from customers via monthly instalments ranging from 12 to 60 months (2009: 12 to 60 months).

Included in trade receivables of the Group are amounts owing by companies in which certain Directors have interest totaling RM4,590,000 (2009: RM3,864,000).

(b) Third party trade receivables of RM130,000 has been written off against allowance for doubtful debts in the previous financial year.

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) The retention sums are unsecured, interest-free and are expected to be collected as follows:

	Group	
	2010 RM'000	2009 RM'000
Within 1 year	**12,428**	8,245
1 - 2 years	**5,890**	13,753
2 - 3 years	**-**	3,008
3 - 4 years	**61**	-
	18,379	25,006

(d) Amount due from customers for contract works are as follows:

		Group	
	Note	2010 RM'000	2009 RM'000
Aggregate costs incurred to date		**952,507**	1,044,777
Add: Attributable profits		**26,855**	29,715
		979,362	1,074,492
Less: Progress billings		**(997,595)**	(1,090,924)
		(18,233)	(16,432)
Amount due to customers for contract works	22	**40,685**	44,005
		22,452	27,573

Addition to aggregate costs incurred during the financial year include:

		Group	
	Note	2010 RM'000	2009 RM'000
Staff costs	33	**4,440**	5,291
Depreciation	7(a)	**1,170**	-

(e) Amount owing by subsidiaries is 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 RM215,577,000 (2009: RM262,426,000) which is subject to interest at 0.65% (2009: 0.84%) per annum.

(f) Included in other receivables of the Group are advances to and payments made on behalf of subcontractors amounting to RM501,000 (2009: RM4,161,000), which are unsecured, interest-free and repayable on demand.

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

(g) The currency exposure profile of receivables are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Ringgit Malaysia	**222,275**	241,899	**217,916**	263,974
Thai Baht	**11,911**	20,956	**-**	-
Australian Dollar	**299**	386	**-**	-
Singapore Dollar	**232**	1,201	**-**	-
US Dollar	**472**	1,141	**-**	-
Vietnam Dong	**196**	783	**-**	-
Euro	**171**	11	**-**	-
Sterling Pound	**-**	1	**-**	-
	235,556	266,378	**217,916**	263,974

17. PROPERTY DEVELOPMENT COSTS

		Group	
	Note	2010 RM'000	2009 RM'000
Opening balance			
Land		**138,053**	164,402
Development costs		**373,588**	389,472
Accumulated costs charged to the income statement		**(180,339)**	(264,202)
		331,302	289,672
Transfer from land held for property development	14	**3,047**	4,439
Transfer to completed properties held for sale		**(16,246)**	(17,683)
Transfer to investment properties	10	**(131,968)**	-
Acquisition of land		**-**	30
Development costs incurred during the year		**161,272**	232,668
Cost charged to income statement for the year		**(190,779)**	(177,824)
Completed developments			
- Reversal of land and development costs		**(75,157)**	(261,688)
- Reversal of costs charged to income statement		**75,157**	261,688
		(174,674)	41,630
Closing balance		**156,628**	331,302
Represented by:			
Land		**91,266**	138,053
Development costs		**376,861**	373,588
Accumulated costs charged to the income statement		**(311,499)**	(180,339)
		156,628	331,302

17. PROPERTY DEVELOPMENT COSTS (CONTINUED)

Included in the property development costs is the following charge incurred during the financial year:

	Group	
	2010 RM'000	2009 RM'000
Interest expense	**6,799**	9,658

Interest is capitalised in property development costs at rates ranging from 0.65% to 5.30% (2009: 0.84% to 8.25%) per annum.

The portion of property development costs in respect of which 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 value of RM121,483,000 (2009: RM254,970,000) have been pledged to licensed banks for banking facilities granted to certain subsidiaries (Note 23).

18. INVENTORIES

	Group	
	2010 RM'000	2009 RM'000
At cost		
Completed properties held for sale	**21,227**	23,931
Raw materials	**4,030**	3,782
Consumables	**1,945**	1,699
Work-in-progress	**6,155**	2,032
Finished goods	**7,196**	4,505
	40,553	35,949
At net realisable value		
Completed properties held for sale	**683**	-
Raw materials	**287**	473
Work-in-progress	**-**	54
Finished goods	**2,377**	1,582
	3,347	2,109
	43,900	38,058

During the financial year, inventories of the Group recognised as cost of sales amounted to RM99,575,000 (2009: RM112,700,000) while the write down of inventories to their net realisable value amounted to RM1,761,000 (2009: RM3,934,000).

19. CASH AND CASH EQUIVALENTS

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash and bank balances	a	**84,034**	45,956	**4,469**	1,387
Deposits with licensed banks	b	**34,800**	39,115	**-**	-
Per balance sheets	c	**118,834**	85,071	**4,469**	1,387
Bank overdrafts included in borrowings	23	**(7,108)**	(9,947)	**-**	-
Deposits pledged as securities	b	**(7,380)**	(11,864)	**-**	-
Per cash flow statements		**104,346**	63,260	**4,469**	1,387

(a) Included in the Group's cash and bank balances is an amount of RM42,780,000 (2009: RM16,709,000) held under Housing Development Account maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966. The utilisation of these balances are restricted, before completion of the housing development and fulfilling all relevant obligations to the purchasers, the cash could 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 RM31,470,000 (2009: RM2,037,000) assigned for bank facilities granted to certain subsidiaries.

(b) Included in deposits placed with licensed banks is an amount of RM7,380,000 (2009: RM11,864,000) pledged for bank facilities granted to certain subsidiaries.

(c) The currency exposure profile of cash and bank balances and deposits with licensed banks are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Ringgit Malaysia	**81,405**	45,708	**4,469**	1,387
Australian Dollar	**26,054**	26,454	**-**	-
Thai Baht	**10,334**	12,338	**-**	-
Vietnam Dong	**567**	177	**-**	-
US Dollar	**402**	319	**-**	-
Singapore Dollar	**72**	75	**-**	-
	118,834	85,071	**4,469**	1,387

(d) Information on the financial risks of cash and bank balances and deposits with licensed banks are disclosed in Note 38 to the financial statements.

20. SHARE CAPITAL AND TREASURY SHARES

	Group and Company			
	2010		2009	
	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	**456,132**	**456,132**	456,132	456,132

The holders of ordinary shares 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.

Details of the repurchase of shares in previous financial year were as follows:

2009	Average purchase price RM	Highest purchase price RM	Lowest purchase price RM	Number of shares purchased	Total consideration RM
July 2008	0.59	0.61	0.56	275,000	161,809

Of the total 456,132,000 (2009: 456,132,000) issued and fully paid ordinary shares of RM1.00 each as at 30 June 2010, there are 475,000 (2009: 475,000) ordinary shares of RM1.00 each with a cumulative total consideration amounting to RM266,000 (2009: RM266,000) held as treasury shares by the Company. The number of outstanding shares in issue after the share buy-back is 455,657,000 (2009: 455,657,000) ordinary shares of RM1.00 each as at 30 June 2010.

20. SHARE CAPITAL AND TREASURY SHARES (CONTINUED)

(b) Warrants

Warrants B

Pursuant to the Rights Issue which was completed on 31 October 2000, the Company issued 171,049,587 new ordinary shares of RM1.00 each at par together with 114,032,898 detachable warrants ('Rights Warrants') at no cost on the basis of three (3) Rights Shares together with two (2) Rights Warrants attached thereto for every five (5) existing ordinary shares of RM1.00 each held.

The exercise price of each Rights Warrant shall be RM1.10 per ordinary share for the first five (5) years of the exercise period and RM1.20 thereafter for the subsequent five (5) years or such adjusted price as may for the time being be applicable subject to the Deed Poll dated 14 August 2000. The exercise period shall commence from the date of issue of the Rights Warrants and will expire on 29 October 2010 at 5.00 p.m.. Notice to warrant holders dated 24 September 2010 has been despatched to all warrant holders notifying them of the forthcoming expiry date.

As at 30 June 2010, 114,032,898 Warrants B have yet to be converted to ordinary shares. Details of the proposed New Warrants are disclosed in Note 40 to the financial statements.

21. RESERVES

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Non-distributable:					
Share premium	a	**39,773**	39,773	**39,773**	39,773
Exchange translation reserve	b	**(10,122)**	(6,211)	**-**	-
		29,651	33,562	**39,773**	39,773
Distributable:					
Retained earnings	c	**340,344**	297,837	**79,906**	47,699
		369,995	331,399	**119,679**	87,472

(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) 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.

21. RESERVES (CONTINUED)

(c) 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 could move to single tier system.

22. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Non-current					
Trade					
Retention sum - third parties	a,e	**6,129**	4,797	**-**	-
Current					
Trade					
Third parties	b	**61,063**	74,753	**-**	-
Progress billings in respect of property development		**15,356**	6,236	**-**	-
Amount due to customers for contract works	16(d)	**40,685**	44,005	**-**	-
Retention sum - third parties	a	**21,671**	25,041	**-**	-
		138,775	150,035	**-**	-
Non-trade					
Subsidiaries	c	**-**	-	**124,544**	139,619
Other payables - third parties	d	**22,199**	24,703	**935**	967
- associates		**397**	67	**-**	-
Accruals		**38,648**	22,924	**539**	483
		61,244	47,694	**126,018**	141,069
	e	**200,019**	197,729	**126,018**	141,069

22. TRADE AND OTHER PAYABLES (CONTINUED)

(a) The retention sums are unsecured, interest-free and are expected to be payable as follows:

	Group	
	2010 RM'000	2009 RM'000
Within 1 year	**21,671**	25,041
1 – 2 years	**3,876**	2,461
2 – 3 years	**2,208**	2,203
3 – 4 years	**45**	133
	27,800	29,838

(b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2009: 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 RM18,323,000 (2009: RM36,361,000), which is subject to interest rates ranging from 3.93% to 7.05% (2009: 3.97% to 8.25%) per annum.

(d) Other payables include enrolment fees payable to Interval International Inc. of RM180,000 (2009: RM621,000) and Resort Condominiums International LCC of RM3,975,000 (2009: RM3,975,000) 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 are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Ringgit Malaysia	**194,657**	181,907	**126,018**	141,069
Thai Baht	**9,427**	19,599	**-**	-
US Dollar	**1,157**	308	**-**	-
Vietnam Dong	**696**	410	**-**	-
Australian Dollar	**129**	166	**-**	-
Singapore Dollar	**67**	123	**-**	-
Euro	**15**	13	**-**	-
	206,148	202,526	**126,018**	141,069

23. BORROWINGS

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Non-current					
Secured term loans		**95,450**	171,370	**7,822**	12,005
Unsecured term loans		**3,644**	5,781	**-**	-
		99,094	177,151	**7,822**	12,005
Current					
Secured term loans		**112,943**	17,386	**4,194**	4,077
Unsecured term loans		**2,010**	1,697	**-**	-
Secured bank overdrafts	19	**2,796**	4,140	**-**	-
Unsecured bank overdrafts	19	**4,312**	5,807	**-**	-
Secured bankers' acceptances		**2,385**	4,934	**-**	-
Unsecured bankers' acceptances		**4,467**	34,404	**-**	-
Secured revolving credits		**71,500**	91,000	**33,500**	48,000
Unsecured revolving credits		**6,500**	16,000	**-**	-
		206,913	175,368	**37,694**	52,077
		306,007	352,519	**45,516**	64,082
Total borrowings					
Secured term loans		**208,393**	188,756	**12,016**	16,082
Unsecured term loans		**5,654**	7,478	**-**	-
Secured bank overdrafts	19	**2,796**	4,140	**-**	-
Unsecured bank overdrafts	19	**4,312**	5,807	**-**	-
Secured bankers' acceptances		**2,385**	4,934	**-**	-
Unsecured bankers' acceptances		**4,467**	34,404	**-**	-
Secured revolving credits		**71,500**	91,000	**33,500**	48,000
Unsecured revolving credits		**6,500**	16,000	**-**	-
		306,007	352,519	**45,516**	64,082

23. BORROWINGS (CONTINUED)

(a) The borrowings are repayable over the following periods:

	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
Group						
2010						
Secured term loans	2024	**208,393**	**112,943**	**26,420**	**56,879**	**12,151**
Unsecured term loans	2014	**5,654**	**2,010**	**2,123**	**1,521**	**-**
Secured bank overdrafts	2011	**2,796**	**2,796**	**-**	**-**	**-**
Unsecured bank overdrafts	2011	**4,312**	**4,312**	**-**	**-**	**-**
Secured bankers' acceptances	2011	**2,385**	**2,385**	**-**	**-**	**-**
Unsecured bankers' acceptances	2011	**4,467**	**4,467**	**-**	**-**	**-**
Secured revolving credits	2011	**71,500**	**71,500**	**-**	**-**	**-**
Unsecured revolving credits	2011	**6,500**	**6,500**	**-**	**-**	**-**
		306,007	**206,913**	**28,543**	**58,400**	**12,151**
2009						
Secured term loans	2023	188,756	17,386	70,386	84,165	16,819
Unsecured term loans	2014	7,478	1,697	2,320	3,461	-
Secured bank overdrafts	2010	4,140	4,140	-	-	-
Unsecured bank overdrafts	2010	5,807	5,807	-	-	-
Secured bankers' acceptances	2010	4,934	4,934	-	-	-
Unsecured bankers' acceptances	2010	34,404	34,404	-	-	-
Secured revolving credits	2010	91,000	91,000	-	-	-
Unsecured revolving credits	2010	16,000	16,000	-	-	-
		352,519	175,368	72,706	87,626	16,819
Company						
2010						
Secured term loans	2014	**12,016**	**4,194**	**4,095**	**3,388**	**339**
Secured revolving credits	2011	**33,500**	**33,500**	**-**	**-**	**-**
		45,516	**37,694**	**4,095**	**3,388**	**339**
2009						
Secured term loans	2014	16,082	4,077	4,260	7,745	-
Secured revolving credits	2010	48,000	48,000	-	-	-
		64,082	52,077	4,260	7,745	-

23. BORROWINGS (CONTINUED)

(b) The currency exposure profiles of borrowings are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Ringgit Malaysia	**303,740**	349,441	**45,516**	64,082
US Dollar	**2,267**	3,078	**-**	-
	306,007	352,519	**45,516**	64,082

(c) The borrowings of the Company are secured by way of charges over certain subsidiaries' hotel properties and freehold land and buildings (Note 7), investment properties (Note 10) and quoted investments (Note 13).

The borrowings of subsidiaries are secured by way of charges over certain subsidiaries' freehold land and buildings, hotel properties and other property, plant and equipment (Note 7), prepaid lease payments for land (Note 9), investment properties (Note 10), land held for property development (Note 14) and property development costs (Note 17). The borrowings are also secured by the corporate guarantee provided 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;

(e) Information on financial risks of borrowings are disclosed in Note 38 to the financial statements.

24. DEFERRED INCOME

	Group 2010 RM'000	Group 2009 RM'000
Non-current		
Membership fees	**39,891**	38,292
Current		
Membership fees	**2,713**	2,588
Maintenance fees	**71**	22
	2,784	2,610

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 balance sheet date as follows:

	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
Less than one year	**1,525**	1,293	**7**	4
Between one and five years	**2,054**	155	**13**	5
	3,579	1,448	**20**	9

(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 balance sheet date as follows:

	Group 2010 RM'000	Group 2009 RM'000
Less than one year	**21,114**	2,162
Between one and five years	**31,164**	5,250
Later than five years	**37,808**	39,175
	90,086	46,587

25. COMMITMENTS (CONTINUED)

(b) Capital commitments

	Group	
	2010 RM'000	2009 RM'000
Contracted but not provided for		
- property, plant and equipment	**1,487**	3,408

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 sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	Company	
	2010 RM'000	2009 RM'000
Guarantees		
Corporate guarantees given to financial institutions relating to banking facilities of subsidiaries	**571,621**	571,281
Corporate guarantees given to third parties relating to credit facilities granted to subsidiaries	**20,900**	36,040
	592,521	607,321

Contingent assets/liabilities not considered remote

Litigations

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, resulting in SGIVCB suffered a loss and damage inter-alia amounting to a total of RM5,280,000. In this civil suit, the Agent has filed a counter claim against SGIVCB for its marketing fee amounting to RM21,091,000, electricity and rental charges pursuant to the Marketing Agreement and is seeking for loss, damages, interests and costs.

On 27 August 2010, the Court had allowed SGIVCB's claim against the Agent and ordered the Agent to pay the 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 which is to be assessed by a Senior Assistant Registrar, interest at 8% per annum on the damages allowed commencing from the date when the writ was filed until full and final satisfaction and costs. The Agent had appealed against the Court award.

On the counter claim, the Court allowed claim for marketing fee, rental arrears amounting to RM1,840 and related costs. The said marketing fee, however, would need to be assessed by a qualified accountant agreed by both parties. On 3 September 2010, the Court appointed a qualified accountant to assess the Agent's marketing fee and subsequently fixed 6 October 2010 as mention date to monitor the assessment exercise.

26. CONTINGENCIES (CONTINUED)

Contingent assets/liabilities not considered remote (continued)

Litigations (continued)

On 6 October 2010, the Court determined the scope of work for the qualified accountant and did not fix another mention date until the assessment is completed by the qualified accountant.

The Board of Directors are of the opinion that, after taking into consideration the claim of damages of RM5,280,000 awarded by the Court to SGIVCB and accrued marketing fees, the outcome of the assessment exercise by the qualified accountant will not have material impact to the financial statements of the Group.

27. REVENUE

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Sale of goods	**145,143**	156,003	**-**	-
Property development revenue	**270,376**	213,402	**-**	-
Services rendered	**100,122**	91,615	**3,300**	3,300
Contract revenue	**147,412**	165,077	**-**	-
Dividend income				
- subsidiaries	**-**	-	**12,500**	21,391
- other investments	**2,775**	2,388	**-**	-
	665,828	628,485	**15,800**	24,691

28. COST OF SALES AND SERVICES

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Inventories sold	**105,381**	117,680	**-**	-
Property development costs	**208,713**	169,463	**-**	-
Services rendered	**43,118**	37,451	**7,697**	6,954
Contract works	**130,636**	160,594	**-**	-
	487,848	485,188	**7,697**	6,954

29. PROFIT BEFORE TAX

	Note	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
Profit before tax is arrived at after charging:					
Allowance for doubtful debts		**1,179**	2,150	**-**	-
Amortisation of prepaid lease payments for land	9	**182**	178	**-**	-
Auditors' remuneration:					
- statutory audit					
- current year		**350**	368	**34**	34
- over provision in prior years		**(14)**	(20)	**-**	(2)
- other services		**369**	12	**21**	9
Bad debts written off		**6**	2	**-**	-
Compensation to purchasers		**20**	149	**-**	-
Depreciation on:					
- investment properties	10	**2,447**	222	**-**	-
- property, plant and equipment	7(a)	**15,156**	15,780	**146**	208
Directors' remuneration:					
- salaries and other emoluments		**4,639**	4,958	**3,624**	3,238
- fees		**93**	93	**93**	93
Impairment loss on:					
- goodwill on consolidation	8	**1,024**	1,023	**-**	-
- investments in subsidiaries	11	**-**	-	**3,275**	-
Interest expense on:					
- bank overdrafts		**305**	1,761	**63**	252
- bankers' acceptances		**313**	1,554	**-**	-
- hire purchase creditors		**-**	1	**-**	-
- revolving credits		**2,668**	3,622	**2,192**	2,759
- term loans		**5,459**	1,758	**870**	1,231
- subsidiaries		**-**	-	**1,141**	1,213
- other interest		**7**	11	**-**	-
Inventories written down	18	**1,761**	3,934	**-**	-
Inventories written off		**11**	2	**-**	-
Liquidated and ascertained damages expenses		**2,781**	31	**-**	-
Loss on disposal of property, plant and equipment		**-**	33	**-**	3
Other investments written off		**-**	225	**-**	-
Property, plant and equipment written off	7	**264**	745	**-**	-
Rental expense on land and buildings		**1,541**	2,064	**11**	16

29. PROFIT BEFORE TAX (CONTINUED)

	Note	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
Profit before tax is arrived at after charging (continued):					
Rental of equipment		**393**	429	**-**	-
Replacement cost for operating equipment		**781**	675	**-**	-
Research and development expensed as incurred		**3,920**	3,753	**-**	-
Realised loss on foreign exchange		**98**	1,344	**-**	-
Unrealised loss on foreign exchange		**978**	123	**-**	-
And crediting:					
Allowance for doubtful debts no longer required		**1,683**	25	**-**	-
Reversal of allowance for diminution in value of other investments		**3,493**	-	**-**	-
Bad debt recovered		**50**	-	**-**	-
Gross dividends received from:					
- shares quoted in Malaysia		**2,598**	2,210	**-**	-
- subsidiaries		**-**	-	**12,500**	21,391
- unquoted shares		**177**	177	**-**	-
Gain on disposal of:					
- investment properties		**1,053**	-	**-**	-
- property, plant and equipment		**376**	220	**63**	-
- subsidiaries	35	**-**	-	**42,436**	-
Interest income received from:					
- fixed deposits		**1,554**	2,788	**-**	-
- housing development account		**273**	435	**-**	-
- subsidiaries		**-**	-	**1,584**	2,098
- others		**264**	494	**2**	3
Realised gain on foreign exchange		**60**	67	**-**	-
Rental income from land and buildings		**19,608**	3,911	**-**	-

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 RM89,000 and RM32,000 (2009: RM88,000 and RM31,000) respectively.

30. TAX EXPENSE

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current tax expense based on profit for the financial year:				
Malaysian income tax	**18,699**	9,113	**721**	567
Foreign income tax	**358**	-	**-**	-
	19,057	9,113	**721**	567
Under provision in prior years:				
Malaysian income tax	**350**	613	**12**	32
Foreign income tax	**699**	-	**-**	-
	20,106	9,726	**733**	599
Deferred tax (Note 15):				
Relating to origination and reversal of temporary differences	**1,455**	3,588	**-**	-
Under provision in prior years	**86**	1,433	**-**	-
	1,541	5,021	**-**	-
	21,647	14,747	**733**	599

The Malaysian income tax is calculated at the statutory tax rate of 25% (2009: 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.

30. TAX EXPENSE (CONTINUED)

The numerical reconciliation between the applicable tax expense and the effective tax expense of the Group and of the Company are as follows:

	Group		Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Tax at Malaysian statutory tax rate of 25% (2009: 25%)	**18,582**	9,358	**10,798**	3,214
Tax effect in respect of:				
Non-allowable expenses	**4,469**	5,178	**1,290**	433
Non-taxable income	**(2,571)**	(486)	**(11,367)**	(3,080)
Utilisation of previously unrecognised deferred tax assets	**(41)**	(400)	**-**	-
Deferred tax assets not recognised during the year	**829**	813	**-**	-
Tax incentives and allowances	**(520)**	(788)	**-**	-
Share of post tax results of associates	**(251)**	(596)	**-**	-
Effect of different tax rate in foreign jurisdiction	**15**	49	**-**	-
Others	**-**	(427)	**-**	-
	20,512	12,701	**721**	567
Under provision of income tax expense in prior years	**1,049**	613	**12**	32
Under provision of deferred tax in prior years	**86**	1,433	**-**	-
	21,647	14,747	**733**	599

Tax savings of the Group are as follows:

	Group	
	2010 RM'000	**2009 RM'000**
Arising from utilisation of previously unrecognised capital allowances	**4**	16
Arising from utilisation of previously unrecognised tax losses	**37**	384

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 Company by the weighted average number of ordinary shares outstanding during the financial year, after taking into consideration of treasury shares held by the Company.

	Group	
	2010	**2009**
Profit attributable to equity holders of the Company (RM'000)	**52,759**	22,623
Weighted average number of ordinary shares in issue (in '000)	**456,132**	456,132
Weighted average number of treasury shares held (in '000)	**(475)**	(467)
Adjusted weighted average number of ordinary shares applicable to basic earnings per share (in '000)	**455,657**	455,665
Basic earning per share (sen)	**11.58**	4.96

(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 Company 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 figures are not shown as the exercise price of warrants is higher than the market price of the ordinary shares as at the balance sheet date.

32. DIVIDENDS

	Group and Company			
	2010		**2009**	
	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 2009	**3**	**10,252**	-	-
- year ended 30 June 2008	**-**	**-**	5	17,087

The first and final dividend in respect of the financial year ended 30 June 2010 of 5 sen per ordinary share, less tax amounting to RM17,087,000 has been proposed by the Directors after the balance sheet date 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 2011.

33. EMPLOYEE BENEFITS

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Wages, salaries and bonuses	**44,552**	43,126	**6,007**	5,381
Contributions to defined contribution plan	**5,565**	5,622	**939**	839
Social security contributions	**604**	600	**29**	27
Other benefits	**6,779**	9,484	**535**	534
	57,500	58,832	**7,510**	6,781

The above staff costs are allocated as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Income statement	**53,060**	53,541	**7,510**	6,781
Amount due from customers for contract works (Note 16 (d))	**4,440**	5,291	**-**	-
	57,500	58,832	**7,510**	6,781

34. ACQUISITION OF A SUBSIDIARY

On 24 September 2009, the Company acquired the entire equity interest of OCC Cables Berhad ('OCB'), a company incorporated in Malaysia with paid-up share capital of RM2.00 comprising 4 ordinary shares of RM0.50 each for a cash consideration of RM2.00.

The acquired subsidiary has contributed the following results to the Group during the financial year:

	2010 RM'000
Revenue	**-**
Loss for the financial year	**(1,014)**

If the acquisition had occurred on 1 July 2009, the acquired subsidiary's contribution to the Group's results would have been the same as above.

The effects of the acquisition on the financial position and cash flow of the Group were not material.

35. DISPOSAL OF SUBSIDIARIES

Company

On 5 November 2009, the Group completed an internal restructuring exercise as part of the Proposed Listing of OCB by disposal of the Company's entire equity interest in Olympic Cable Company Sdn. Bhd. and PJ Exim Sdn. Bhd. to OCB for consideration of RM55,400,000 and RM6,125,000 respectively.

The consideration was satisfied by way of issuance of 123,049,996 new ordinary shares of RM0.50 each by OCB to the Company. Subsequently, the Company did not proceed with the Proposed Listing of OCB.

Gain of RM42,436,000 was derived from the disposal for the Company, however, the disposal had no effect to the Group.

36. 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) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Related parties:				
Sale of building materials	**4,410**	5,367	**-**	-
Insurance premium payable	**(1,871)**	(1,771)	**(104)**	(72)
Progress claim payable	**(1,419)**	(451)	**-**	-
Room revenue receivable	**419**	153	**-**	-
Construction cost billed	**5,763**	5,871	**-**	-
Rental of premises payable	**(1,436)**	(1,415)	**(6)**	(12)
Purchase of security equipment and services	**(21)**	(194)	**-**	-
IT services receivable	**12**	4	**-**	-
Internal audit services receivable	**10**	-	**-**	-
Subsidiaries:				
Dividend receivable	**-**	-	**12,500**	21,391
Interest receivable	**-**	-	**1,584**	2,098
Interest payable	**-**	-	**(1,141)**	(1,213)
Facilities charges payable	**-**	-	**(6)**	(13)
Management fees receivable	**-**	-	**3,300**	3,300
Rental payable	**-**	-	**(4)**	(4)
IT maintenance services payable	**-**	-	**(60)**	(83)
Secondment fees receivable	**-**	-	**80**	56
Associate:				
Progress billings receivable	**-**	520	**-**	-

36. RELATED PARTY DISCLOSURES (CONTINUED)

(b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year (continued):

Material balances with related parties at balance sheet date 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.

(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	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Short term employee benefits	**4,661**	5,053	**3,170**	2,845
Contributions to defined contribution plan	**743**	803	**579**	517
	5,404	5,856	**3,749**	3,362

37. OPERATING SEGMENTS

The Group is principally engaged in property development, construction, manufacturing and trading, hotel and leisure and investment holdings.

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 five (5) 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.

37. OPERATING SEGMENTS (CONTINUED)

The Group has arrived five (5) 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):

(ii) Construction

Securing and carrying out construction contracts.

(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.

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-segement revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. Theses policies have been applied consistently throughout the current and previous financial years.

37. OPERATING SEGMENTS (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment:

2010	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	Eliminations RM'000	Consolidated RM'000
Revenue									
Sales to external customers	284,824	147,412	121,807	23,337	85,552	2,775	121	-	665,828
Inter-segment sales	18,920	123,792	6	12,588	130	15,800	1,007	(172,243)	-
Total revenue	303,744	271,204	121,813	35,925	85,682	18,575	1,128	(172,243)	665,828
Results									
Segment results	46,050	8,225	16,693	1,180	9,045	113	965	(2,285)	79,986
Finance costs	(5,245)	(1,700)	(615)	(149)	(1,313)	(4,266)	(1)	4,537	(8,752)
Interest income	1,710	306	1,040	481	363	2,728	-	(4,537)	2,091
Share of profit of associates									1,003
Profit before tax									74,328
Tax expense									(21,647)
Profit for the financial year									52,681

2010	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
Assets								
Segment assets	586,771	124,663	87,168	26,916	444,097	86,461	6,767	1,362,843
Investments in associates								44,379
Total assets								1,407,222
Liabilities								
Segment liabilities	276,439	132,282	24,562	7,084	91,867	47,240	1,801	581,275
Total liabilities								581,275
Other segment information								
Capital expenditure	2,890	1,325	2,980	665	39,705	199	18	47,782
Depreciation	3,395	2,111	1,151	1,190	10,778	141	7	18,773
Amortisation	-	8	38	75	61	-	-	182
Non-cash expenses other than depreciation and amortisation	428	11	1,428	1,034	165	-	-	3,066

37. OPERATING SEGMENTS (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment (continued):

2009	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	Eliminations RM'000	Consolidated RM'000
Revenue									
Sales to external customers	214,445	165,077	123,943	32,060	90,438	2,388	134	-	628,485
Inter-segment sales	16,422	188,526	43	21,963	-	24,691	1,000	(252,645)	-
Total revenue	230,867	353,603	123,986	54,023	90,438	27,079	1,134	(252,645)	628,485
Results									
Segment results	17,796	(5,309)	16,666	2,644	13,541	(3,227)	1	(2,073)	40,039
Finance costs	(1,661)	(3,556)	(1,586)	(270)	(1,554)	(5,455)	(1)	5,376	(8,707)
Interest income	1,778	704	1,737	311	481	4,082	-	(5,376)	3,717
Share of profit of associates									2,384
Profit before tax									37,433
Tax expense									(14,747)
Profit for the financial year									22,686

2009	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
Assets								
Segment assets	627,143	133,666	66,575	31,853	414,893	78,635	6,022	1,358,787
Investments in associates								44,615
Total assets								1,403,402
Liabilities								
Segment liabilities	238,272	176,677	34,981	14,025	86,083	65,586	349	615,973
Total liabilities								615,973
Other segment information								
Capital expenditure	7,484	7,082	2,292	381	17,663	210	8	35,120
Depreciation	1,205	1,379	937	1,268	11,006	202	5	16,002
Amortisation	-	-	43	74	61	-	-	178
Non-cash expenses other than depreciation and amortisation	123	2	3,946	1,024	609	-	2	5,706

38. FINANCIAL INSTRUMENTS

(a) 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.

The Group and the Company are exposed mainly to credit risk, interest rate risk, foreign currency risk, liquidity and cash flow risk and price risk which arise in the normal course of the Group and Company's business. Information on the management of the related exposures are detailed below.

(i) Credit risk

The Group and the Company's primary exposure to credit risk arise through trade and other receivables. The exposure to credit risk is monitored by management on an ongoing basis.

Other financial assets of the Group and the Company with exposure to credit risk include cash and fixed deposits, which are placed with financial institutions with good standing.

At balance sheet date, the Company has significant exposures in respect of amount due from subsidiaries but there were no significant concentrations of credit risk for the Group. The maximum exposure of credit risk is represented by the carrying amount of each financial asset.

(ii) Interest rate risk

The Group's fixed-rate deposits with licensed financial institutions and borrowings are exposed to a risk of changes in their fair values due to changes in market interest rates. The Group's and Company's floating or variable-rate borrowings and amount due from subsidiaries are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not exposed to interest rate risk. There is no formal hedging policy with respect to interest rate exposure.

38. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial risk management objectives and policies (continued)

(ii) Interest rate risk (continued)

The following tables set out the carrying amounts, the average effective interest rates as at the balance sheet date 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	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 2010									
Fixed rate instruments									
Deposits with licensed banks	19	4.22	**34,800**	**-**	**-**	**-**	**-**	**-**	**34,800**
Secured term loans	23	5.30	**5,088**	**6,046**	**10,002**	**9,368**	**5,495**	**-**	**35,999**
Floating rate instruments									
Secured term loans	23	6.35	**172,394**	**-**	**-**	**-**	**-**	**-**	**172,394**
Unsecured term loans	23	6.26	**5,654**	**-**	**-**	**-**	**-**	**-**	**5,654**
Secured bankers' acceptances	23	3.32	**2,385**	**-**	**-**	**-**	**-**	**-**	**2,385**
Unsecured bankers' acceptances	23	3.12	**4,467**	**-**	**-**	**-**	**-**	**-**	**4,467**
Secured bank overdrafts	23	7.05	**2,796**	**-**	**-**	**-**	**-**	**-**	**2,796**
Unsecured bank overdrafts	23	7.52	**4,312**	**-**	**-**	**-**	**-**	**-**	**4,312**
Secured revolving credits	23	4.24	**71,500**	**-**	**-**	**-**	**-**	**-**	**71,500**
Unsecured revolving credits	23	4.07	**6,500**	**-**	**-**	**-**	**-**	**-**	**6,500**
As at 30 June 2009									
Fixed rate instruments									
Deposits with licensed banks	19	2.89	39,115	-	-	-	-	-	39,115
Secured term loans	23	5.30	1,002	5,088	6,046	10,001	9,368	5,495	37,000
Floating rate instruments									
Secured term loans	23	5.27	151,756	-	-	-	-	-	151,756
Unsecured term loans	23	7.50	7,478	-	-	-	-	-	7,478
Secured bankers' acceptances	23	3.32	4,934	-	-	-	-	-	4,934
Unsecured bankers' acceptances	23	3.12	34,404	-	-	-	-	-	34,404
Secured bank overdrafts	23	6.75	4,140	-	-	-	-	-	4,140
Unsecured bank overdrafts	23	7.10	5,807	-	-	-	-	-	5,807
Secured revolving credits	23	4.30	91,000	-	-	-	-	-	91,000
Unsecured revolving credits	23	4.01	16,000	-	-	-	-	-	16,000

38. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial risk management objectives and policies (continued)

(ii) Interest rate risk (continued)

The following tables set out the carrying amounts, the average effective interest rates as at the balance sheet date 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	Average effective interest rate %	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000	Total RM'000
At 30 June 2010							
Floating rate instruments							
Secured term loans	23	6.56	**12,016**	**-**	**-**	**-**	**12,016**
Secured revolving credits	23	4.46	**33,500**	**-**	**-**	**-**	**33,500**
At 30 June 2009							
Floating rate instruments							
Secured term loans	23	6.07	16,082	-	-	-	16,082
Secured revolving credits	23	4.77	48,000	-	-	-	48,000

(iii) Foreign currency risk

The Group and the Company are exposed to foreign currency risk on transactions that are denominated in currencies other than functional currencies of the operating entities.

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

The Group is also exposed to foreign currency risk in respect of its overseas investments. The Group and the Company do not hedge this exposure with foreign currency borrowings.

(iv) Liquidity and cash flow risk

The Group and the Company monitor and maintain a level of cash and cash equivalents and bank facilities deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

38. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial risk management objectives and policies (continued)

(v) Price risk

The Group is exposed to equity price risks arising from quoted investments held by the Group. Quoted investments are held for strategic purposes and the Group does not actively trade these investments. To manage its price risk arising from investments in equity securities, the Group closely monitor the effects of fluctuation in equity prices. An allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments.

(b) Fair values

The carrying amounts of cash and cash equivalents, current trade and other receivables, current trade and other payables, and short term borrowings, approximate their fair values due to the relatively short term nature of these financial instruments.

In respect of long-term borrowings with floating rates, the carrying amounts approximate their fair values as they are on floating rates and reprice to market interest rates for liabilities with similar risk profiles.

It was not practicable to estimate the fair value of the Group's investment in unquoted shares due to the lack of comparable quoted market prices and the inability to estimate fair value without incurring excessive costs. Unquoted investments in Malaysia are carried at historical cost of RM34,000 (2009: RM34,000) in the balance sheet. The Group's share of net tangible assets reported by the unquoted company in Malaysia as at 31 December 2009 was RM612,000 (31 December 2008: RM624,000).

The Company provides financial guarantees to banks for credit facilities extended to certain subsidiaries. The fair values of these guarantees, as well as non-current trade and other receivables and non-current trade and other payables cannot be reasonably determined without incurring excessive cost.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the balance sheets, are as follows:

	Group	
	Carrying amount RM'000	**Fair value RM'000**
At 30 June 2010		
Quoted shares in Malaysia	**49,720**	**50,286**
Term loans with fixed interest rate	**35,999**	**34,814**
At 30 June 2009		
Quoted shares in Malaysia	46,227	42,769
Term loans with fixed interest rate	37,000	36,308

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair values (continued)

The methods and assumptions used by management to determine fair values of the financial instruments are as follows:

(i) Quoted shares in Malaysia

The fair value of quoted shares in Malaysia is determined by reference to the stock exchange quoted market bid prices at the close of the business on the balance sheet date.

(ii) Term loans with fixed interest rate

The fair value of term loans with fixed interest rate which are accounted for as long term financial liabilities is estimated based on future contractual cash flows discounted at current market assessments of the time value of money and the risk specific to the liabilities.

39. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

During the financial year, the Group undertook an internal restructuring exercise for the proposed listing of OCC Cables Berhad, a wholly owned subsidiary of the Company, along with its subsidiaries on the Main Market of Bursa Malaysia Securities Berhad ('Proposed Listing'). The Proposed Listing was approved by the shareholders of the Company and the Securities Commission ('SC') on 26 November 2009 and 24 February 2010 respectively. Subsequently, on 17 August 2010, the Company announced that the Board of Directors did not intend to proceed with the Proposed Listing and allowed the SC's approval to lapse on 23 August 2010.

40. SIGNIFICANT EVENT SUBSEQUENT TO THE BALANCE SHEET DATE

On 26 July 2010, the Company announced the following proposals:

(i) a renounceable rights issue of up to 213,811,972 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 in the Company at an issue price of RM0.02 per Warrant C; and

(ii) a restricted issue of up to 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 the Warrants ('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 proposals were approved by Bank Negara Malaysia on 27 August 2010 and Bursa Malaysia Securities Berhad on 8 September 2010 respectively. The proposals were also approved by the shareholders of the Company at an Extraordinary General Meeting held on 11 October 2010.

LIST OF GROUP'S TOP TEN PROPERTIES
as at 30 June 2010

Location	Area (sq ft)	Tenure	Description/ Existing Use	Age of Building	Date of Aquisition	Net Book Value (RM'000)
Menara PJD No. 50, Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan	796,355 (built-up)	Freehold	Building	6 months	15.11.2006	129,903
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	121,278
Geran No. 43720, Lot 55344 Mukim Batu Kuala Lumpur Wilayah Persekutuan	442,956	Freehold	Land for residential development	N/A	28.11.2001	67,949
Lot 3670, 3673-3677 & Lot 2446 & 2447 Sek. 4, Bandar Butterworth Daerah Seberang Prai Utara Pulau Pinang	700,997	Freehold	Land for mixed development	N/A	14.10.1996	67,336
Swiss-Garden Resort & Spa Kuantan Lot PT 7566 Mukim Sungai Karang 26100 Berserah Daerah Kuantan Pahang Darul Makmur	250,512 (built-up)	Freehold	Hotel	11 years 11 months	-	57,238

Location	Area (sq ft)	Tenure	Description/ Existing Use	Age of Building	Date of Aquisition	Net Book Value (RM'000)
Swiss-Garden Hotel Kuala Lumpur 117 Jalan Pudu 55100 Kuala Lumpur Wilayah Persekutuan	268,150 (built-up)	Freehold	Hotel	14 years	-	55,900
CT 10297 Lot 3018 & CT 10305 Lot 3026 CT 10288 Lot 3009 & CT 10296 Lot 3017 Mukim Pulai, Daerah Johor Bahru Johor Darul Ta'zim	595,042	Freehold	Land for residential & commercial development	N/A	02.03.2006	39,221
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 residential development	N/A	01.11.2006	31,449
Bandar Indera Mahkota Mukim of Kuala Kuantan Pahang Darul Makmur	577,882	Leasehold (99 years expiring on 27.05.2108)	Land for residential development	N/A	11.09.1996	27,998
Mukim of Senai, Kulai District of Johor Bahru Johor Darul Ta'zim	1,402,227	Freehold	Land for residential, commercial & industrial development	N/A	1991	25,883

ANALYSIS OF SHAREHOLDINGS
as at 1 October 2010

Authorised Capital	: RM1,000,000,000
Issued and fully paid-up capital	: RM456,132,359 (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
Less than 100	515	3.43	9,471	0.00
100 - 1,000	3,499	23.31	2,848,011	0.62
1,001 - 10,000	8,326	55.48	37,392,023	8.21
10,001 - 100,000	2,354	15.69	71,161,090	15.62
100,001 - 22,782,866	312	2.08	229,669,117	50.40
22,782,867 and above	2	0.01	114,577,647	25.15
Total	15,008	100.00	455,657,359	100.00

THIRTY LARGEST REGISTERED HOLDERS

	Name	Shareholdings	Percentage
1.	Dindings Consolidated Sdn Bhd	86,137,481	18.90
2.	Khor Chai Moi	28,440,166	6.24
3.	Permodalan Nasional Berhad *Investment Processing Dept*	13,918,600	3.05
4.	Ladang Setia Sdn Bhd	8,391,360	1.84
5.	Amanahraya Trustees Berhad *Public Far-East Property & Resorts Fund*	7,511,900	1.65
6.	OSK Nominees (Tempatan) Sdn Berhad *Wong Chong Ngin*	7,086,400	1.56
7.	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Soon Tiek Development Sdn Bhd*	7,000,000	1.54
8.	Public Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Soon Tiek Development Sdn Bhd (JRC)*	6,620,327	1.45
9.	HSBC Nominees (Asing) Sdn Bhd *AA Noms SG for YC Ltd*	6,300,000	1.38
10.	HSBC Nominees (Asing) Sdn Bhd *AA Noms SG for JX Ltd*	6,080,000	1.33
11.	HSBC Nominees (Asing) Sdn Bhd *AA Noms SG for YM Ltd*	6,008,800	1.32

	Name	Shareholdings	Percentage
12.	Amsec Nominees (Tempatan) Sdn Bhd *AmTrustee Berhad for Pacific Pearl Fund (UT-PM-PPF)*	4,695,000	1.03
13.	Khor Chei Yong	4,419,200	0.97
14.	Land Management Sdn Bhd	4,400,000	0.97
15.	ABB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Dindings Consolidated Sdn Bhd (11200518380)*	4,148,000	0.91
16.	HSBC Nominees (Asing) Sdn Bhd *AA Noms SG for YS Ltd*	4,000,900	0.88
17.	Loh Siew Hooi	3,820,000	0.84
18.	HSBC Nominees (Asing) Sdn Bhd *AA Noms SG for JY Ltd*	3,609,200	0.79
19.	HLB Nominees (Tempatan) Sdn Bhd *Pledged Securities for Wong Ah Chiew*	3,462,200	0.76
20.	Ng Ah Boon	3,004,000	0.66
21.	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Wong Chong Shee (470539)*	3,000,000	0.66
22.	Citigroup Nominees (Asing) Sdn Bhd *CBNY for Dimensional Emerging Markets Value Fund*	2,768,800	0.61
23.	OSK Nominees (Asing) Sdn Berhad *Pledged Securities Account for Lee Sui Hee*	2,704,000	0.59
24.	Wong Chong Ngin	2,601,000	0.57
25.	Au Yiu Joo	2,501,100	0.55
26.	Citigroup Nominees (Asing) Sdn Bhd *Exempt An for OCBC Securities Private Limited (Client A/C-NR)*	2,456,920	0.54
27.	OSK Nominees (Tempatan) Sdn Berhad *Khor Chai Moi*	2,448,000	0.54
28.	Public Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Ng Ngow @ Ng Soo Har (E-TCS)*	2,382,200	0.52
29.	Wong Ah Chiew	2,376,000	0.52
30.	Jasmin Villa Development Sdn Bhd	2,290,000	0.50

SUBSTANTIAL SHAREHOLDERS

According to the register required to be kept under section 69L of the Companies Act, 1965, the following are the substantial holders of the Company :

Name	No. of shares held			
	Direct Interest	%	Indirect/Deemed Interest	%
Dindings Consolidated Sdn Bhd	86,137,481	18.90	*4,148,000	0.91
Khor Chai Moi	28,440,166	6.24	**103,441,841	22.70
Wong Ah Chiew	2,376,000	0.52	***94,097,681	20.65
Land Management Sdn Bhd	4,400,000	0.97	****90,285,481	19.81

Notes :

* By virtue of shares held through Nominees.

** By virtue of shares held through Nominees, Dindings Consolidated 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.

**** By virtue of shares held through Dindings Consolidated Sdn Bhd.

No. of Warrants Issued : 114,032,898

BREAKDOWN OF WARRANTHOLDINGS

Range of Holdings	No. of Holders	Percentage of Holders	No. of Warrants	Percentage of Issued Warrants
Less than 100	178	15.57	7,948	0.01
100 - 1,000	242	21.17	143,534	0.12
1,001 - 10,000	438	38.32	1,787,710	1.57
10,001 - 100,000	200	17.50	8,815,434	7.73
100,001 - 5,701,643	81	7.09	49,332,953	43.26
5,701,644 and above	4	0.35	53,945,319	47.31
Total	1,143	100.00	114,032,898	100.00

THIRTY LARGEST REGISTERED HOLDERS

	Name	Warrantholdings	Percentage
1.	Dindings Consolidated Sdn Bhd	31,593,392	27.71
2.	Khor Chai Moi	10,080,829	8.84
3.	Public Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Soon Tiek Development Sdn Bhd (JRC)*	6,491,098	5.69
4.	OSK Investment Bank Berhad *IVT (DSP)*	5,780,000	5.07
5.	Tam May Chow	4,519,400	3.96
6.	Tan Chin Hoe	3,114,400	2.73
7.	Mak Ngia Ngia @ Mak Yoke Lum	3,000,000	2.63
8.	Ong Wan Chin	3,000,000	2.63
9.	Mak Ngia Ngia @ Mak Yoke Lum	2,800,000	2.46
10.	Ng Ah Chuan @ Chew Ah Chuan	2,700,000	2.37
11.	Ladang Setia Sdn Bhd	1,833,840	1.61
12.	OSK Nominees (Tempatan) Sdn Berhad *Wong Chong Ngin*	1,771,600	1.55
13.	Land Management Sdn Bhd	1,699,000	1.49
14.	Teh Kim Fong	1,341,000	1.18
15.	JF Apex Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Voon Sze Lin*	1,330,000	1.17
16.	Mak Pak Lin	1,200,000	1.05

ANALYSIS OF WARRANTHOLDINGS
as at 1 October 2010

	Name	Warrantholdings	Percentage
17.	Mohd Fauzi bin Mohd Anuar	1,200,000	1.05
18.	JS Nominees (Asing) Sdn Bhd *Quebec Investment Limited (QU050)*	1,017,600	0.89
19.	Ong Ah Choon @ Ong Kai Choon	900,000	0.79
20.	Chu Chee Choon	830,000	0.73
21.	Mayban Nominees (Tempatan) Sdn Bhd *Fua Kia Pha*	732,000	0.64
22.	Soo Tuck Chiew @ Soo Chien Fung	704,600	0.62
23.	Amsec Nominees (Tempatan) Sdn Bhd *Pledged Securities Account - AmBank (M) Berhad for Yap Ching Loon (SMART)*	677,200	0.59
24.	Tang Kee Wong	675,900	0.59
25.	Lee Mee Kuen	543,300	0.48
26.	Chew Eu Khoon	500,000	0.44
27.	RHB Capital Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Chee Hong Leong (CEB)*	500,000	0.44
28.	Teoh Chooi Guat	500,000	0.44
29.	Citigroup Nominees (Asing) Sdn Bhd *Exempt An for OCBC Securities Private Limited (Client A/C-NR)*	469,213	0.41
30.	Yap Chong Keow	441,500	0.39

1. Directors' Interest As At 1 October 2010

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	3,000,000	0.66	-	-
Khor Chai Moi	28,440,166	6.24	103,441,841	22.70
Yap Yoon Kong	-	-	520,000	0.11

	Warrants B			
	Direct Interest		Indirect/Deemed Interest	
Director	**No.**	**%**	**No.**	**%**
Wong Ah Chiew	402,000	0.35	31,593,392	27.71
Khor Chai Moi	10,080,829	8.84	33,427,232	29.31

RELATED CORPORATION

	Ordinary Shares Of RM1.00 Each			
	Direct Interest		Indirect/Deemed Interest	
Director	**No.**	**%**	**No.**	**%**
a) Wong Ah Chiew				
b) Khor Chai Moi				
• Damai Laut Golf Resort Sdn. Bhd.	-	-	49,500,000	99.00
• Swiss-Garden Rewards Sdn. Bhd.	-	-	350,000	70.00

	Ordinary Shares Of 10.00 Thai Baht Each			
	Direct Interest		Indirect/Deemed Interest	
Director	**No.**	**%**	**No.**	**%**
a) Wong Ah Chiew				
b) Khor Chai Moi				
• PJDCI Co., Ltd	-	-	242,500	78.50
• PJDC Co., Ltd	-	-	14,925,000	88.50

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 2010.

3. Non-Audit Fee

The non-audit fees paid by Company to external auditors for the financial year ended 30 June 2010 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 2010 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	Receipt of proceeds for sale of building materials	KCM, WAC, WCS DC, LM	4,410
OSKP Group	Receipt of payment for construction works	KCM, WAC, WCS, OLH, WCK, OYC, DC, LM	5,763
Ke-Zan	Payment for rental of office space in Plaza OSK	KCM, WAC, WCS, OLH, WCK, OYC, DC, LM	1,358
WMSC Group	Payment for provision of Supervisory Control and Data Acquisition (SCADA), information technology services, security system and smart home system	KCM, WAC, WCS, OYC, SW DC, LM	1,440

Notes :

(1) Dinding Consolidated Sdn Bhd ("DC")
DC is a major shareholder of PJD. Mr Wong Ah Chiew ("WAC") and Madam Khor Chai Moi ("KCM") are both directors and major shareholders of DC and PJD.

Land Management Sdn. Bhd. ("LM") is a major shareholder of DC.

(2) OSK Property Holdings Berhad ("OSKP")
Mr Ong Leong Huat @ Wong Joo Hwa ("OLH") is a major shareholder of OSKP, brother of Wong Chong Kim ("WCK"), and also father of Ms Ong Yee Ching ("OYC"), who are directors of OSKP.

OLH and WCK are brothers of WAC and Wong Chong Shee ("WCS"), directors of PJD. OLH is the spouse of KCM.

(3) KE-ZAN Berhad ("Ke-Zan")
Ke-Zan is a wholly-owned subsidiary company of OSK Holdings Berhad ("OSK").

OLH is a director of OSK and major shareholder of OSK and OSKP.
WCK is a director of OSK, OSKP and Ke-Zan.

(4) Willowglen MSC Berhad ("WMSC")
WMSC is a 50.85% 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 and KCM hold 0.61% and 0.66% direct interest respectively in WMSC.

PJ DEVELOPMENT HOLDINGS BERHAD
(COMPANY NO. 5938-A) (INCORPORATED IN MALAYSIA)

Number of PJD 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)	**New NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
*and/or			
Full Name (in Block)	**New 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 45th Annual General Meeting of the Company to be held at Grand Hibiscus, Level 3, Swiss-Garden Hotel & Residences, 117, Jalan Pudu, 55100 Kuala Lumpur, Malaysia, on Thursday, 25 November 2010 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 YM Ungku Haji Mohd Afandi bin Ungku Suleiman as Director		
3.	Re-election of Wong Chong Shee as Director		
4.	Approval on payment of Directors' Fees		
5.	Re-appointment of Auditors and authorising the Directors to fix their remuneration		
6.	Authority to Issue Shares		
7.	Proposed Shareholders' Mandate		
8.	Proposed Share Buy-Back Renewal		
9.	Proposed Amendments to the Articles of Association of the Company		

(Please indicate with an "X" how you wish to cast your vote. If you do not so, the proxy(ies) will vote or abstain from voting at his / her discretion.)

Signed this .... day of 2010

....
*Signature / Common Seal of Shareholder

* Delete if not appropriate

Notes:

1. ***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.***
2. ***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.***
3. ***The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such 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

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1st fold here

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