



大馬發展有限公司
DAIMAN DEVELOPMENT BERHAD
(Co. No. 11681-T)

ANNUAL REPORT 2012

Growing the portfolios

常年报告书二零一二





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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 40th Annual General Meeting of Daiman Development Berhad (“the Company”) will be held at Dewan Johor, 2nd Floor, Mutiara Hotel Johor Bahru, Jalan Dato’ Sulaiman, Taman Century, 80250 Johor Bahru, Johor Darul Ta’zim, on Tuesday, the 27th day of November, 2012 at 11.00 am for the following purposes:

ORDINARY BUSINESS AS ORDINARY RESOLUTION

1. To receive the Audited Financial Statements for the financial year ended 30 June 2012 and the Reports of the Directors and Auditors thereon. **[Please refer to Explanatory Note 8]**
2. To re-elect the following Directors of the Company who retire by rotation under Article 77 of the Articles of Association of the Company:
 - i) Mr Tay Tian Liang **Resolution 1**
 - ii) Dato’ Ahmad Johari Bin Tun Abdul Razak **Resolution 2**
3. To re-elect Mr Ho Sing as a Director of the Company who retires under Article 83 of the Articles of Association of the Company. **Resolution 3**
4. To approve Directors’ Fees for the financial year ended 30 June 2012. **Resolution 4**
5. To declare a First & Final Dividend of 10% less Income Tax of 25% for the financial year ended 30 June 2012. **Resolution 5**
6. To re-appoint Messrs Ernst & Young as Auditors of the Company for the financial year ending 30 June 2013 and to authorise the Directors to fix their remuneration. **Resolution 6**

SPECIAL BUSINESS AS ORDINARY RESOLUTION

To consider and, if thought fit, pass with or without modifications, the following ordinary resolutions:

7. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** **Resolution 7**

“THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may deem fit provided that the aggregate number of shares so issued pursuant to this resolution in any one financial year does not exceed ten per centum (10%) of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”
8. **PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR PROPOSED SHARE BUY-BACK BY THE COMPANY** **Resolution 8**

“THAT subject to the Companies Act, 1965 (the “Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Memorandum and Articles of Association and the Listing Requirements of Bursa Malaysia Securities Berhad



NOTICE OF ANNUAL GENERAL MEETING

("Bursa Securities") and any other relevant authority, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares of RM1.00 each in the Company's issued and paid-up ordinary share capital on Bursa Securities subject further to the following:

- (a) the maximum number of shares which may be purchased and/or held by the Company shall be equivalent to ten per centum (10%) of the issued and paid-up ordinary share capital of the Company ("Shares") for the time being;
- (b) the maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the retained profits and/or the share premium account of the Company. As of 30 June 2012, the audited retained profits of the Company was RM498,597,000; and
- (c) the authority conferred by the resolution as set out in paragraphs (a) and (b) above will commence immediately upon passing of this ordinary resolution and will expire at the conclusion of the next Annual General Meeting ("AGM") of the Company, unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting or the expiration of the period within which the next AGM after that date is required by law to be held, whichever occurs first and, in any event, in accordance with the provisions of the Listing Requirements of Bursa Securities or any other relevant authority;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares;

AND the Directors of the Company be and are hereby authorised to deal with any Shares so purchased and any existing treasury shares ("the Said Shares") in the following manner:

- (i) cancel the Said Shares;
- (ii) retain the Said Shares as treasury shares;
- (iii) retain part of the Said Shares as treasury shares and cancel the remainder;
- (iv) distribute all or part of the Said Shares as dividends to shareholders, and/or resell on Bursa Securities and/or cancel all or part of them,

or in any other manner as may be prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements of Bursa Securities and any other relevant authority for the time being in force; AND THAT the authority to deal with the Said Shares shall continue to be valid until all the Said Shares have been dealt with by the Directors of the Company."

9. To transact any other matter for which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

By Order of the Board

Woo Min Fong (MAICSA 0532413)
Yap Wai Bing (MAICSA 7023640)
Company Secretaries

Johor Bahru
05 November 2012



NOTICE OF ANNUAL GENERAL MEETING

CLOSURE OF BOOKS

To determine shareholders entitlement to the dividend payment, if approved at the forthcoming 40th Annual General Meeting of the Company, the Register of Members will be closed on 10 December 2012.

The dividend, if approved, will be paid on 07 January 2013 to shareholders whose names appear in the Register of Members and Record of Depositors at the close of business on 10 December 2012.

- (a) shares transferred into the depositor's securities account before 4.00 pm on 10 December 2012 (in respect of ordinary transfers);
- (b) shares deposited into the depositor's securities account before 12.30 pm on 06 December 2012 (in respect of shares which are exempted from mandatory deposit);
- (c) shares bought on Bursa Securities on a cum entitlement basis according to the rules of the Bursa Securities.

NOTICE OF GENERAL MEETING RECORD OF DEPOSITORS

NOTICE IS ALSO HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend the 40th Annual General Meeting, the Company shall request from Bursa Malaysia Depository Sdn. Bhd. in accordance with the provisions under Article 56 of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 to issue a General Meeting Record of Depositors ("General Meeting ROD") as at 19 November 2012. Only a depositor whose name appears on the General Meeting ROD as at 19 November 2012 shall be entitled to attend the said meeting or appoint proxies to attend, to speak and vote on his/her behalf.

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
2. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same Meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
6. The Proxy Form must be deposited with the Company Secretary at the Registered Office at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Ta'zim not less than 48 hours before the time set for the Meeting.



NOTICE OF ANNUAL GENERAL MEETING

7. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy.

Explanatory Notes:

(a) ORDINARY BUSINESS

8. Agenda 1 is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 and the Company's Articles of Association do not require a formal approval of the Shareholders. Hence, this Agenda is not put forward for voting.

(b) SPECIAL BUSINESS

9. Ordinary Resolution 7 is a renewal of the general mandate for issuance of shares by the Company under Section 132D of the Companies Act, 1965. The Company had, during its 39th Annual General Meeting obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Companies Act, 1965. The Company did not issue any shares pursuant to this mandate obtained.

Ordinary Resolution 7, if passed, will empower the Directors to allot and issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the Issued Share Capital of the Company for such purposes as the Directors consider in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting. The renewal of this 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, working capital and/or acquisitions.

10. Ordinary Resolution 8, if passed, will renew the Shareholders' Mandate to allow the Company to buy-back its own shares. The mandate shall continue to be in force until the date of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of the Company in a general meeting and is subject to annual renewal. Further information on this resolution is set out in the Statement to Shareholders dated 05 November 2012 that has been sent out together with the Annual Report 2012.



STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Directors standing for re-election:

- Mr Tay Tian Liang – Article 77
- Dato' Ahmad Johari Bin Tun Abdul Razak – Article 77
- Mr Ho Sing – Article 83

Profile of directors standing for re-election:

- Please refer to section on Directors' Profile on page 10 to 12 of the Annual Report 2012

The 40th Annual General Meeting of Daiman Development Berhad

Place : Mutiara Hotel Johor Bahru
Dewan Johor, 2nd Floor
Jalan Dato' Sulaiman, Taman Century
80250 Johor Bahru, Johor Darul Ta'zim

Date and Time : 27 November 2012 at 11.00 am

Securities holdings in the Company and its subsidiaries by the directors standing for re-election

- The shareholdings as at 08 October 2012 of the directors standing for re-election:-

Name of Directors	Number of ordinary shares of RM1.00 each held in the Company			
	Direct Interest	%	Deemed Interest	%
Mr Tay Tian Liang	896,600	0.43	103,476,704*1	49.14
Dato' Ahmad Johari Bin Tun Abdul Razak	1,672,000	0.79	-	-
Mr Ho Sing	-	-	-	-

- *1 By virtue of his interest in Daiman Holdings Sdn Bhd and the interest of his wife pursuant to Section 6A of the Companies Act, 1965



CORPORATE INFORMATION

公司资料

BOARD OF DIRECTORS 董事会阵容

Dato' Ahmad Johari Bin Tun Abdul Razak – Chairman, Independent Non-executive Director 主席, 独立非执行董事
Tay Thiam Song 郑添松 – Managing Director 董事经理
Tay Tian Liang 郑添谅 – Executive Director 执行董事
Tay Thiam Yew 郑添佑 – Executive Director 执行董事
Eddie Chan Yean Hoe 曾贤河 – Executive Director 执行董事
Ong Seng Pheow 王声标 – Senior Independent Non-executive Director 资深独立非执行董事
Ho Sing 何鑫 – Independent Non-executive Director (appointed w.e.f. 20 December 2011)

COMPANY SECRETARIES 秘书

Woo Min Fong 邬珉枫 (MAICSA No: 0532413)
Yap Wai Bing 叶维斌 (MAICSA No: 7023640)

REGISTERED OFFICE 注册办事处

Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Ta'zim.
Tel: 07-332 2088 Fax: 07-332 8096

PRINCIPAL PLACE OF BUSINESS 企业办事处

Level 32, Menara Landmark, No. 12, Jalan Ngee Heng, 80000 Johor Bahru, Johor Darul Ta'zim.

SHARE REGISTRAR 股票注册官

Tricor Investor Services Sdn. Bhd. (Co. No. 118401-V)
Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.
Tel: 03-2264 3883 Fax: 03-2282 1886

AUDITORS 稽查师

Messrs Ernst & Young – Chartered Accountants 特许会计师
Suite 11.2, Level 11, Menara Pelangi, 2, Jalan Kuning, Taman Pelangi, 80400 Johor Bahru, Johor Darul Ta'zim.

PRINCIPAL BANKERS 主要银行

Public Bank Berhad 大众银行有限公司
Ambank (M) Berhad 阿马吗真银行
RHB Bank Berhad 拉昔胡申银行有限公司

STOCK EXCHANGE 股票交易所

Bursa Malaysia Securities Berhad (Main Market) 马来西亚股票交易所 (主要交易板)
Stock Code: 5355
Sector: Property

WEB SITE 网址

daiman.com.my

E-MAIL 电邮地址

daiman@daiman.com.my



OTHER CORPORATE INFORMATION

BOARD MEETINGS

For the financial year ended 30 June 2012, the Board met four times. At each Board meeting, the Board is provided with Board papers and relevant information to enable them to perform and discharge their functions and duties.

BOARD ATTENDANCES

Name of Directors	Nos. of Meeting Attended
Dato' Ahmad Johari Bin Tun Abdul Razak	4/4
Tay Thiam Song	4/4
Tay Tian Liang	4/4
Tay Thiam Yew	4/4
Eddie Chan Yean Hoe	4/4
Ong Seng Pheow	4/4
Ho Sing (appointed w.e.f. 20 December 2011)	2/4

COMPOSITION OF THE BOARD

The Board consists of a Chairman who is an Independent Non-executive Director, the Managing Director, three Executive Directors and two Independent Non-executive Directors.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Appointment and re-election of Directors shall take place every year. All Directors shall retire from office at least once in every three years, but shall be eligible for re-election.

REMUNERATION OF DIRECTORS

The remuneration of the Directors of the Company for the financial year are set out under Note 8 of the Audited Financial Statement on Page 73 of this Report.

CONVICTIONS FOR OFFENCES

None of the Directors has been convicted for any offences within the past ten years.

UTILISATION OF PROCEEDS

No proceeds were raised by the Company from any corporate proposal during the financial year.

SHARES BUY-BACK

Details of the Shares Buy-back of the Company during the financial year are disclosed under Note 22(b) of the Audited Financial Statement on Page 93 of this Report.

EXERCISE OF OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

In previous financial year, Daiman Group's Employee Share Option Scheme was dissolved and discontinued.



OTHER CORPORATE INFORMATION

ADR OR GDR PROGRAMME

The Company did not sponsor any American Depository Receipts or Global Depository Receipts programmes during the financial year.

IMPOSITIONS OF SANCTIONS / PENALTIES

There were no sanctions and / or penalties imposed on the Company and its subsidiaries, Directors or Management by the regulatory bodies.

NON-AUDIT FEES

The amount of non-audit fees paid to the External Auditors by the Group for the financial year amounted to RM92,000.

PROFIT ESTIMATE, FORECAST OR PROJECTION

The Company did not release any profit estimate, forecast or projection for the financial year. There is no variance between the results for the financial year and the unaudited results previously released by the Company.

PROFIT GUARANTEE

During the year, there was no profit guarantee given by the Company.

MATERIAL CONTRACTS

There were no material contracts of the Company and its subsidiaries involving Directors' and major shareholders' interest.

CONTRACTS RELATING TO LOAN

There were no contracts relating to a loan by the Company and its subsidiaries in respect of the preceding item.



DIRECTOR'S PROFILES

DATO' AHMAD JOHARI BIN TUN ABDUL RAZAK

(Chairman, Independent Non-executive Director)

DATO' AHMAD JOHARI BIN TUN ABDUL RAZAK, aged 58, a Malaysian, was appointed to the Board of Daiman Development Berhad ("DDB") on 28 September, 1992. He is an Independent Non-executive Chairman of the Company and is a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He also holds a non-executive directorship in Daiman Golf Berhad, a wholly-owned subsidiary of the Company.

Dato' is currently a partner in a leading law firm in Malaysia. He also sits on the Board of Hong Leong Industries Bhd, Guocoland (Malaysia) Berhad, Deutsche Bank (Malaysia) Berhad, British American Tobacco (Malaysia) Berhad and is the Non-executive Chairman of Ancom Berhad. He is also a member of other board committees in Hong Leong Industries Bhd and Ancom Berhad.

Dato' Ahmad Johari holds a Bachelor of Law degree from the University of Kent, United Kingdom and was called to the Bar of England and Wales at Lincoln's Inn in 1976. The following year, he was admitted as an advocate and solicitor of the High Court of Malaya. He has been appointed Adjung Professor of Law at the Law Faculty, Universiti Teknologi MARA.

He is not related to any director and / or major shareholder of DDB and does not have any conflict of interest with the Company.

MR TAY THIAM SONG

(Managing Director)

MR TAY THIAM SONG, aged 57, a Singaporean, was appointed as an Executive Director of Daiman Development Berhad ("DDB") in 1984 and subsequently appointed as Managing Director in 1996. He holds the executive directorship in several subsidiary companies within the DDB Group. Mr Tay also holds directorships in various private limited companies in Malaysia and Singapore.

He graduated with a Bachelor of Arts (Honours) degree from North East London Polytechnic, London.

Mr Tay is the brother of Mr Tay Tian Liang and Mr Tay Thiam Yew. He does not have any conflict of interest with the Company.

MR TAY TIAN LIANG

(Executive Director)

MR TAY TIAN LIANG, aged 68, a Singaporean, has been an Executive Director of Daiman Development Berhad ("DDB") since 1983. He is the Managing Director of Daiman Properties Sdn Bhd, Daiman Trading Sdn Bhd, Daiman Golf Berhad and Daiman Johor Jaya Sports Complex Berhad, which are wholly-owned subsidiaries of DDB. He is a member of the Remuneration Committee of the Company. Mr Tay sits on the Board of several other private limited companies.

Mr Tay has vast experience in the business of property development, sports and recreation, horticulture and tannery. He was the Managing Director of a tannery company in Tokyo, Japan, for 14 years.

Mr Tay is the brother of Mr Tay Thiam Yew and Mr Tay Thiam Song. He does not have any conflict of interest with the Company.



DIRECTOR'S PROFILES

MR TAY THIAM YEW

(Executive Director)

MR TAY THIAM YEW, aged 60, a Singaporean, has been an Executive Director of Daiman Development Berhad ("DDB") since 1984. He is the Executive Director of Daiman Bowl Sdn Bhd, Daiman Golf Berhad and Daiman Johor Jaya Sports Complex Berhad, which are wholly-owned subsidiaries of DDB. Mr Tay is also a director in several other private limited companies within the Daiman Group. He is the Managing Director of Daiman Holdings Sdn Bhd and sits on the Board of other companies in the Tay Kia Hong & Sons Sdn Bhd Group.

Mr Tay is the brother of Mr Tay Tian Liang and Mr Tay Thiam Song. He does not have any conflict of interest with the Company.

MR EDDIE CHAN YEAN HOE

(Executive Director)

MR EDDIE CHAN YEAN HOE, aged 57, a Malaysian, joined the Board of Daiman Development Berhad ("DDB") as an Independent Non-executive Director on 28 September 1992. On 1 September 2011, he was re-designated as an Executive Director and concurrently, he ceased as member of Audit Committee and Chairman and member of Nomination and Remuneration Committees. He also holds executive directorships in Atlantic Dynamics Sdn Bhd, Daiman Properties Sdn. Bhd, Daiman Golf Berhad, Daiman Hospitality Management Sdn Bhd, Daiman Landmark Property Management Sdn Bhd and Daiman Landmark Hotel Sdn Bhd, which are wholly-owned subsidiary companies of DDB.

Prior to taking up full time employment in Daiman Development Berhad, Mr Eddie Chan held several senior finance roles in an international oil and gas company until his retirement. Before joining the international oil and gas company, Mr Eddie Chan was an Executive Director and a Partner of an international accounting and auditing firm with more than 15 years of experience in auditing, corporate restructuring, taxation and accounting.

Mr Eddie Chan is a qualified accountant. He is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

He is not related to any director and / or major shareholder of DDB and does not have any conflict of interest with the Company.

MR ONG SENG PHEOW

(Senior Independent Non-executive Director)

MR ONG SENG PHEOW, aged 64, a Malaysian, was appointed to the Board of Daiman Development Berhad ("DDB") on 6 February 2004. He is an Independent Non-executive Director of the Company and is the Chairman of the Audit Committee and member of Nomination Committee and Remuneration Committee of the Company. He is also an Independent Non-executive Director of LCTH Corporation Berhad, George Kent (Malaysia) Berhad, HELP International Corporation Berhad, RHB Bank Berhad and RHB Insurance Berhad.

Mr Ong has over 34 years experience in public practice with an international firm of accountants and was its National Director of Assurance and Advisory Business Services from 1994 till he retired in December 2003. He is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

He is not related to any director and / or major shareholder of DDB and does not have any conflict of interest with the Company.



DIRECTOR'S PROFILES

MR HO SING

(Independent Non-Executive Director)

MR HO SING, aged 45, a Singaporean, was appointed to the Board of Daiman Development Berhad (“DDB”) on 20 December 2011. He is an Independent Non-executive Director of the Company and is a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He is the Chief Executive Officer of YTL Starhill Global REIT Management Limited, the Manager of the Starhill Global REIT. He assists the Executive Chairman and the Board in formulating strategies for Starhill Global REIT and is responsible for the day-to-day operations of the Starhill Global REIT. He has over 15 years of leadership and management experience with multi-national companies in engineering, medical, infrastructure, and real estate. These included senior positions in the Singapore Technologies Group, Dornier MedTech, Sembcorp Industries and Guocoland Limited.

Mr Ho holds a Bachelor of Science degree in Aerospace Engineering from the University of Texas, Austin, USA. He completed the Stanford Executive Program at Stanford University in 2002.

He is not related to any director and / or major shareholder of DDB and does not have any conflict of interest with the Company.



CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

The Board of Directors and I are delighted to present to you the Annual Report and Financial Statements of Daiman Development Berhad and of the Group for the financial year ended 30 June 2012 ("FY 2012").

OPERATING ENVIRONMENT

Coming out from the strong property market sentiment in the immediately preceding financial year, the property market began to moderate; exposing the market's deflated enthusiasm in FY 2012 although sales remained steady. The MIER's Residential Property Index (RPI) shrank from its Q1 2011 high of 130.1 points to 123.7 in Q1 2012. However, the level of confidence soldiered on above the 100 points, suggesting that sentiments in this sector remain positive but somewhat cautious.

The external environment such as the slowing US economy and the continuing sovereign debt crisis in Eurozone and the domestic concerns over increases in building materials and labour costs amidst a slowdown in economic activity appear to have taken a toll on the residential property market. The new lending policy by financial institutions' based on the purchasers' disposable income has also affected the residential property market. Additionally, competition amongst property developers continued to be intense.

REVIEW OF FINANCIAL RESULTS

The Group registered a revenue and profit before tax of RM170.5 million and RM 50.5 million respectively in FY 2012 compared to RM166.1 million and RM72.9 million respectively in the immediately preceding financial year. This represents a 2.6% improvement in revenue and a 30.7% decline in our profit before tax. The improvement in revenue came mainly from our property investment division, leisure and recreation division and the trading division. The decrease in profit before tax was mainly due to lower property sales, higher repairs and maintenance expenditures in the property investment division, and lower returns on financial investments, partially offset by the improved results in the trading division.

REVIEW OF BUSINESS OPERATIONS

Property Development

The property development division delivered a credible performance with a profit before tax of RM 49.0 million in FY 2012 compared to RM53.84 million in the immediately preceding financial year. The lower profit before tax was partly due to a charge arising from a provision for losses in respect of our low cost housing development in FY 2012 and the higher fair value gains on investment properties in the immediately preceding financial year.

- Taman Daiman Jaya

The development at Taman Daiman Jaya, located at Kota Tinggi registered a revenue of RM29.67 million. This came on the back of a positive take up of our product launches with (i) the sales of 31 units of double storey terraced houses at Phase 2A 1, 2A2, 2A3; (ii) 8 units of the remaining double storey cluster houses at Phase 4 A1, 4A2, and (iii) 46 units of double storey cluster houses at phase 4A3 with more than 67% sold.



CHAIRMAN'S STATEMENT

- Taman Gaya

The development at Taman Gaya registered a revenue of RM59.89 million from the strong sales of houses in Phase 1C, with the remaining 25 units sold in FY 2012. Additionally, Phase 3C saw the sales of another 29 units of double storey terraced houses bringing the total to 67 units out of 75 units, while Phase 4A achieved 22 units of double storey cluster houses. Phase 5A, comprising 152 units double storey cluster houses and 16 units of double storey semi-D houses achieved 32 units of sales since its pre-launch in April while the remaining unit in Phase 5B was sold.

- Taman Perindustrian Murni Senai

Taman Murni Senai delivered RM36.62 million in revenue from strong interest in industrial property comprising (i) the sales of vacant industrial lots, (ii) 12 units of 1 ½ storey semi-D industrial factory from the 16 newly constructed units and (iii) the remaining unsold units from the immediately preceding financial year.

- Mahseng Developments Sdn Bhd

The Taman Sri Skudai Sports Complex comprising 18 badminton courts and 4 futsal courts on PTD 18756, Taman Sri Skudai was completed in December 2011 and started operations in mid-March 2012. The Group is proud to add another sports facility to complement the Government's effort to promote sports and healthy recreation to the public.

Property Investment

Wisma Daiman's occupancy rate remained stable at around 60% with prospective tenants being pursued to take up the vacant units. Meanwhile, the occupancy rate at Daiman Apartment remained at 100% for the last three years.

Our commercial building in Mukim Setapak, Daerah Kuala Lumpur leased out to Courts Mammoth continues to contribute a stable income to the Group.

As reported in my statement in the 2011 Annual Report, the Group have acquired Menara Landmark, a piece of prime real estate in down town Johor Bahru, comprising an office tower, a car park, a podium and an uncompleted hotel tower in August 2011. The acquisition was completed in November 2011. I am pleased to report that redevelopment works are in progress to transform Menara Landmark into a prime office building and into an 'integrated medical suites' with safe and secure car park. Additionally, Daiman Landmark Hotel Sdn Bhd, a wholly owned subsidiary of DDB, has signed a Management Agreement with Hilton of Malaysia LLC, an affiliate of Hilton Worldwide Inc., to provide development services to and to manage the hotel property for Daiman under the brand name 'DoubleTree by Hilton'. This international four star hotel establishment is expected to commence operations in 2014 and will contribute to the Group's pre-tax profit thereafter. The hotel will also play a leading role in transforming Johor Bahru city into an international hub as envisaged in the Iskandar Malaysia vision.

Needless to say, your Board is aware that the investment in Menara Landmark has taken and will take up considerable financial resources as well as Management's effort in the next 18 months to realise the full potential of the investment. The Board is confident that this investment will contribute positively to the Group's results in the medium and longer term.



CHAIRMAN'S STATEMENT

Trading

The trading division delivered an improve revenue of RM28.60 million and profit before tax of RM2.76 million for FY 2012 compared to RM24.11 million and RM1.59 million respectively in the immediately preceding financial year. The improved results came from higher sales of building materials and batching plant and efforts taken to source alternative supplies.

Leisure and Recreation

The Leisure and Recreation generated RM8.16 million in revenue and a profit before tax of RM0.29 million in FY 2012 compared to RM7.30 million and RM0.40 million respectively in the immediately preceding financial year. The higher revenue came from higher sales on increased business activities. Profit before tax came in lower mainly due to higher operating expenses and asset write offs.

Dividend

The Board is pleased to propose a first and final dividend of 10 sen gross less income tax of 25% for the financial year under review at the forthcoming Annual General Meeting.

Prospects

Malaysia's GDP growth for the year 2013 is projected to be 4.5 to 5.5%.

The Government's progressive policies and current focus on the Economic Transformation Programme (ETP) are beginning to show results by attracting foreign and local investors particularly to Iskandar Malaysia. Domestic demand and private consumption are expected to be resilient boosted by the recently announced 2013 Budget.

Against the aforesaid background, the Board remains confident that the property development division will continue to contribute significantly towards the Group's revenue and profitability in the current financial year. The Group will maintain focus on the residential property market and build quality homes at affordable prices while building on its portfolio of businesses.

On this note, I am pleased to note that the Group have entered into a conditional Sales and Purchase Agreement on 11th June 2012 with Johor Land Berhad to acquire 240.034 acres of land at Ulu Tiram for future mixed development.

The property investment, trading, and leisure and recreation divisions will also continue to contribute positively to the Group's revenue and profit.

Barring any unforeseen circumstances, the Board remains positive in respect of the Group's financial performance in the current financial year ending 30 June 2013.

Acknowledgement

On behalf of the Board, I would like to thank and express my sincere appreciation to our valued shareholders, all our customers, Government authorities, bankers, and business associates for their continuing support.

Last but not least, I would also like to thank my fellow Board members and our employees for their dedicated service, contribution and loyalty, especially during these challenging times.



PENYATA PENGERUSI

Pemegang Saham Yang Dihargai,

Pihak Lembaga Pengarah dan saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan Daiman Development Berhad dan Kumpulan bagi tahun kewangan yang berakhir 30 Jun 2012 ("TK 2012").

SUASANA OPERASI

Ekoran sentimen pasaran hartanah yang teguh pada tahun kewangan sebelumnya, pasaran hartanah pada tahun yang dinilai ini mula menjadi sederhana; memperlihatkan kesungguhan pasaran yang menurun pada TK 2012 walaupun jualan tetap menunjukkan peningkatan. Indeks Hartanah Kediaman (RPI) MIER menunjukkan penyusutan daripada pencapaian tertinggi 130.1 mata pada Suku Pertama 2011 kepada 123.7 mata pada Suku Kedua 2012. Walaubagaimanapun, tahap keyakinan masih bertahan iaitu melebihi 100 mata, memberi petunjuk bahawa sentimen dalam sektor ini kekal positif namun berhati-hati.

Suasana luaran seperti ekonomi AS yang perlahan dan krisis hutang kerajaan asing di Eropah serta kebimbangan di peringkat tempatan terhadap peningkatan harga bahan binaan dan kos buruh di tengah-tengah kelembapan aktiviti ekonomi kelihatan memberi kesan kepada pasaran hartanah kediaman. Polisi baru pinjaman yang diperkenalkan oleh institusi kewangan yang berdasarkan pendapatan boleh guna pembeli turut memberi kesan kepada pasaran hartanah kediaman. Di samping itu, persaingan di kalangan para pemaju hartanah menjadi semakin sengit.

TINJAUAN KEPUTUSAN KEWANGAN

Kumpulan mencatatkan hasil dan keuntungan sebelum cukai, masing-masing sebanyak RM170.5 juta dan RM50.5 juta pada TK 2012 berbanding dengan RM166.1 juta dan RM72.9 juta pada tahun kewangan sebelumnya. Ini mewakili peningkatan sebanyak 2.6% dalam hasil dan penurunan sebanyak 30.7% pada keuntungan kita sebelum cukai. Peningkatan hasil ini sebahagian besarnya datang daripada divisyen pelaburan hartanah, divisyen hospitaliti dan rekreasi serta divisyen dagangan. Penurunan keuntungan sebelum cukai pula sebahagian besarnya berpunca daripada jualan hartanah yang lebih rendah, perbelanjaan pembaikan dan penyelenggaraan yang lebih tinggi dalam divisyen pelaburan hartanah, serta pulangan pelaburan kewangan yang lebih rendah, sebahagian besarnya diimbangi oleh keputusan lebih baik yang dicatatkan oleh divisyen dagangan.

TINJAUAN OPERASI PERNIAGAAN

Pembangunan Hartanah

Divisyen pembangunan hartanah mencatatkan prestasi yang memuaskan dengan keuntungan sebelum cukai sebanyak RM49.0 juta pada TK 2012 jika dibandingkan dengan RM53.84 juta yang dicatatkan pada tahun kewangan sebelumnya. Keuntungan sebelum cukai yang lebih rendah sebahagian besarnya disebabkan oleh caj yang berpunca daripada peruntukan kerugian sehubungan dengan pembangunan perumahan kos rendah pada TK 2012 serta laba nilai saksama yang lebih tinggi ke atas hartanah pelaburan pada tahun kewangan sebelumnya.

- Taman Daiman Jaya

Pembangunan di Taman Daiman Jaya yang terletak di Kota Tinggi mencatatkan hasil sebanyak RM29.67 juta. Ini dicatatkan ekoran sambutan positif terhadap pelancaran produk dengan (i) jualan sebanyak 31 unit rumah teres dua tingkat di Fasa 2A 1, 2A2, 2A3; (ii) 8 unit baki rumah kluster dua tingkat di Fasa 4 A1, 4A2, dan (iii) 46 unit rumah kluster dua tingkat di Fasa 4A3 iaitu lebih 67% berjaya dijual.



PENYATA PENGERUSI

- Taman Gaya

Pembangunan di Taman Gaya mencatatkan hasil sebanyak RM59.89 juta daripada jualan memberangsangkan rumah-rumah di Fasa 1C, dengan baki 25 unit berjaya dijual pada TK 2012. Di samping itu, Fasa 3C mencatatkan jualan sebanyak 29 unit rumah teres dua tingkat, menjadikan jumlahnya 67 unit daripada 75 unit, sementara Fasa 4A mencatatkan jualan sebanyak 22 unit rumah kluster dua tingkat. Fasa 5A yang terdiri daripada 152 unit rumah kluster dua tingkat dan 16 unit rumah semi-D dua tingkat mencatatkan jualan sebanyak 32 unit sejak prapelancarannya pada bulan April, sementara unit baki di Fasa 5B telah habis dijual.

- Taman Perindustrian Murni Senai

Taman Murni Senai mencatatkan RM36.62 juta hasil ekoran minat yang kukuh dalam hartanah perindustrian, (i) meliputi jualan lot perindustrian kosong, (ii) 12 unit kilang perindustrian semi-D 1 ½ tingkat daripada 16 unit yang baru siap dibina dan (iii) baki unit-unit yang tidak terjual daripada tahun kewangan sebelumnya.

- Mahseng Developments Sdn Bhd

Kompleks Sukan Taman Sri Skudai yang terdiri daripada 18 buah gelanggang badminton dan 4 buah gelanggang futsal di PTD 18756, Taman Sri Skudai disiapkan pada bulan Disember 2011 dan memulakan operasinya pada pertengahan Mac 2012. Kumpulan berbangga dapat menambah satu lagi kemudahan sukan dalam membantu usaha Kerajaan untuk menggalakkan aktiviti sukan dan rekreasi yang sihat kepada masyarakat.

Pelaburan Hartanah

Kadar penghunian di Wisma Daiman tetap stabil, iaitu sekitar 60% dengan usaha berterusan mendapatkan bakal-bakal penyewa bagi unit-unit yang masih kosong. Kadar penghunian di Daiman Apartment pula masih kekal pada tahap 100% sejak tiga tahun kebelakangan ini.

Bangunan perdagangan di Mukim Setapak, Daerah Kuala Lumpur yang dipajakkan kepada Courts Mammoth terus menyumbangkan pendapatan yang stabil kepada Kumpulan.

Sepertimana yang dilaporkan dalam penyata saya pada Laporan Tahunan 2011, Kumpulan telah memiliki Menara Landmark, sebuah hartanah perdana di bandaraya Johor Bahru yang terdiri daripada sebuah menara pejabat, kemudahan letak kereta, sebuah podium dan sebuah menara hotel yang terbengkalai pada bulan Ogos 2011. Pemilikan tersebut telah berjaya disempurnakan pada bulan November 2011. Saya berasa bangga menyatakan bahawa kerja-kerja pembangunan semula sedang berjalan untuk mengubah Menara Landmark menjadi sebuah bangunan pejabat perdana serta menjadi 'suite perubatan bersepadu' dengan tempat letak kereta yang selamat dan terkawal. Di samping itu, Daiman Landmark Hotel Sdn Bhd, sebuah anak syarikat milik penuh DDB telah menandatangani Perjanjian Pengurusan dengan Hilton of Malaysia LLC, sebuah syarikat gabungan Hilton Worldwide Inc. untuk menyediakan perkhidmatan pembangunan dan menguruskan hartanah hotel tersebut bagi pihak Daiman di bawah jenama 'DoubleTree by Hilton'. Hotel antarabangsa bertaraf empat bintang ini dijangka memulakan operasinya pada tahun 2014 dan akan menyumbang kepada keuntungan sebelum cukai Kumpulan pada tahun-tahun berikutnya. Hotel ini juga akan memainkan peranan utama dalam mengubah bandaraya Johor Bahru menjadi sebuah hab antarabangsa sepertimana hasrat wawasan Iskandar Malaysia.

Sukacita saya tegaskan di sini yang Lembaga Pengarah anda menyedari bahawa pelaburan di Menara Landmark telah dan akan terus mengambil sebahagian daripada sumber kewangan kita serta usaha pihak Pengurusan dalam tempoh 18 bulan akan datang bagi merealisasikan sepenuh potensi pelaburan ini. Pihak Lembaga Pengarah berasa yakin bahawa pelaburan ini akan memberi sumbangan positif kepada keputusan Kumpulan dalam tempoh sederhana dan jangka panjang.



PENYATA PENGERUSI

Dagangan

Divisyen dagangan mencatatkan peningkatan hasil iaitu RM28.60 juta serta keuntungan sebelum cukai sebanyak RM2.76 juta bagi TK 2012 berbanding dengan masing-masing RM24.11 juta dan RM1.59 juta pada tahun kewangan sebelumnya. Keputusan memberangsangkan ini dicapai ekoran pencapaian jualan yang lebih tinggi pada bahan-bahan binaan dan loji pengelompokan serta usaha-usaha yang dibuat untuk mendapatkan bekalan alternatif.

Hospitaliti dan Rekreasi

Divisyen Hospitaliti dan Rekreasi mencatatkan hasil sebanyak RM8.16 juta dan keuntungan sebelum cukai sebanyak RM0.29 juta pada TK 2012 jika dibandingkan dengan masing-masing RM7.30 juta dan RM0.40 juta yang dicatatkan pada tahun kewangan sebelumnya. Hasil yang lebih tinggi datang daripada jualan yang lebih tinggi disebabkan aktiviti perniagaan yang meningkat. Keuntungan sebelum cukai yang lebih rendah sebahagian besarnya disebabkan oleh perbelanjaan operasi yang lebih tinggi dan hapus kira aset.

Dividen

Lembaga Pengarah berasa sukacita mencadangkan dividen pertama dan terakhir sebanyak 10 sen kasar tolak cukai pendapatan 25% bagi tahun kewangan yang sedang dinilai ini pada Mesyuarat Agung Tahunan yang bakal diadakan.

Peluang dan Harapan

Pertumbuhan KDNK Malaysia bagi tahun 2013 diramalkan pada tahap 4.5 hingga 5.5 %.

Polisi progresif Kerajaan dan tumpuan semasa terhadap Program Transformasi Ekonomi (ETP) mula menunjukkan hasilnya dengan menarik para pelabur asing dan tempatan terutamanya kepada Iskandar Malaysia. Permintaan dan penggunaan dalam negeri dijangka menjadi pulih akibat rangsangan Bajet 2013.

Di sebalik suasana yang dihuraikan di atas, pihak Lembaga Pengarah tetap yakin bahawa divisyen pembangunan hartanah akan terus memberi sumbangan yang besar terhadap hasil dan keuntungan Kumpulan pada tahun kewangan semasa. Kumpulan akan mengekalkan tumpuannya terhadap pasaran hartanah kediaman dan membina rumah-rumah berkualiti pada harga yang mampu dimiliki sambil membangunkan lagi portfolio perniagaannya.

Seiring dengan hasrat ini, saya dengan sukacitanya memaklumkan bahawa Kumpulan telah menandatangani Perjanjian Jual Beli bersyarat dengan Johor Land Berhad pada 11 Jun 2012 untuk membeli 240.034 ekar tanah di Ulu Tiram untuk pembangunan pada masa hadapan.

Divisyen pelaburan hartanah, dagangan, hospitaliti dan rekreasi juga akan terus memberi sumbangan positif kepada hasil dan keuntungan Kumpulan.

Melainkan berlakunya sebarang keadaan yang tidak dapat diduga, pihak Lembaga Pengarah tetap berasa yakin terhadap prestasi kewangan Kumpulan pada tahun kewangan semasa yang berakhir pada 30 Jun 2013.

Penghargaan

Bagi pihak Lembaga Pengarah, saya merakamkan ucapan setinggi-tinggi terima kasih dan penghargaan kepada semua pemegang saham yang dihargai, semua pelanggan, pihak berkuasa Kerajaan, bank-bank, dan rakan-rakan niaga di atas sokongan mereka yang berterusan.

Akhir sekali, saya juga ingin mengucapkan ribuan terima kasih kepada semua Ahli Lembaga Pengarah dan kakitangan di atas perkhidmatan berdedikasi, sumbangan dan kesetiaan berterusan yang mereka perlihatkan, terutamanya semasa tempoh yang amat mencabar ini.



执行主席文告

尊贵的股东，

董事局和我很高兴向各位呈献大马发展有限公司及本集团截至2012年6月30日止之常年报告与财务总结（“2012财政年度”）。

经营环境

紧接上一个财政年度的强劲的产业市场走势，房地产市场开始放缓；显示了市场的热忱在2012财政年度已紧缩，尽管销售额保持稳定。MIER的住宅产业指数（RPI）从2011年第一季度的130的高点降至2012年第二季度的123.7点。然而，住宅产业指数仍维持在100点以上，这表明在这一领域还是保持乐观的，但有些谨慎。

在经济活动放缓之中，国外如美国经济放缓，欧元区的主权债务危机和国内关注的建筑材料和劳动力成本上升似乎已影响住宅物业市场的价格。金融机构根据购买者的个人可支配收入作为新的贷款政策，也影响住宅产业市场。此外，房地产发展商之间的竞争依然激烈。

财务业绩回顾

本集团在2012财政年度的营业额和税前盈利分别取得马币一亿七千零五十万和五千零五十万令吉，相较上一个财政年度分别为马币一亿六千六百万和七千二百九十万令吉。这意味着营业额取得2.6%的增长，而税前盈利却下降了30.7%。营业额的增加主要来自集团产业投资部，休闲和娱乐部门及贸易部门。而税前盈利的减少主要是由于较低的物业销售，产业投资部较高的维修和维护费用，金融投资的回报率较低，但部分被贸易部门的业绩改善所抵消。

业务营运回顾

产业发展

产业发展部在2012财政年度取得马币四千九百万的税前盈利，相较于上一个财政年度的马币五千三百八十四万。税前盈利较低，部分是由于在2012财政年度备提了发展廉价房屋所产生的亏损和紧接上一财政年度较高的产业重估收益所致。

• 大马花园

位于哥打丁宜的大马花园，取得马币二千九百六十七万的营业额。业绩来自（i）推售第2A1，2A2，2A3区的31个单位的双层排楼（ii）第4A1，4A2区剩余的8间双层毗邻式房屋及（iii）及第4A3区的46间双层毗邻式房屋销售达67%以上。

• 高雅花园

高雅花园的发展取得马币五千九百八十九万的营业额，主要来自2012财政年度第1C区强劲销售剩余的25间店屋。此外，第3C区的75间的双层排楼售出29间，使销售总数达到67间，而第4A区取得了22间的双层毗邻式房屋的销售。第5A区，包括152间的双层毗邻式房屋和16间的双层半独立房屋，在4月推售前已售出32间，5B区剩余单位已售罄。

• 大马士乃工业园

大马士乃工业园在强大的工业房产需求下取得马币三千六百六十二万的营业额，包括（i）售出工业用地（ii）新建的16间1½层半独立工厂售出了12间及（iii）自上财政年度所剩余的单位。

• 马星发展有限公司

大马士古来体育中心，拥有18个羽毛球场和4座室内足球场座落在PTD18756商业地段，于2011年12月完工，并在2012年3月中旬开始运作。为本集团荣誉提供休闲与体育设施，以回馈社会并响应政府提倡体育与健康休闲的号召。



执行主席文告

产业投资

大马大厦的出租率稳定的保持在60%左右，并继续争取和说服有潜能的租户租用空置单位。同时，大马公寓连续三年保持在100%的出租率。

集团位于吉隆坡Setapak出租给Courts Mammoth的商业大厦继续为本集团带来固定的租金收入。

正如我在2011年年报中所陈述，集团在2011年8月已收购Menara Landmark，其位于新山市区的黄金地段，包括办公楼，停车场，多层零售商场和未完成的酒店大楼。在2011年11月完成收购。我很高兴地报告说，重新发展工作正在进行中，Landmark广场将转变为一个最好的办公楼和附有安全和保安停车场的“综合医疗套房”。此外，大马发展的独资附属公司，Daiman Landmark Hotel Sdn Bhd，已与马来西亚的希尔顿酒店集团的附属公司签署了管理协议，为本集团提供发展服务和管理酒店，品牌名称为“Double Tree by Hilton”。这家国际四星级酒店，预计在2014年开始营运，此后将有助于集团的税前盈利。酒店也将发挥主导作用，在马来西亚依斯干达经济特区愿景下将柔佛州新山市转变为一个国际枢纽。

董事局也因此意识到，在未来18个月Menara Landmark的投资将继续动用可观的财政资源，以实现全面的投资潜力。董事局深信，这项投资在中期和长期将对本集团业绩作出积极贡献。

贸易

贸易部门在2012财政年度取得增长的营业额，即马币二千八百六十万及马币二百七十六万的税前盈利，相较于上一财政年度分别为马币二千四百一十一万和马币一百五十九万。业绩改善来自更高的建筑材料及预拌混凝土的销售量及替代供应商的协助。

体育及休闲

体育及休闲中心在2012财政年度取得马币八百十六万的营业额，税前盈利为马币廿九万。相较于上一财政年度分别为马币七百卅万和马币四十万。较高的营业额是来自商业活动增加。税前盈利降低主要是由于较高的经营费用和资产核销。

股息

董事局欣然建议在即将来临的股东常年大会通过派发十仙需扣税二十五巴仙的年终股息。

展望

马来西亚2012年国内生产总值增长率预计将达到4.5至5.5%。

政府的发展政策和目前专注于经济转型计划（ETP）已开始奏效，吸引了外国和本地投资者，尤其是马来西亚依斯干达经济特区愿景。最近公布的2012财政预算案，联邦政府较高的资本开支，公共部门的薪金上调，和其他积极措施所推动下，预计国内需求和私人消费将弹性提高。

在上述前提下，董事会仍然深信，产业发展部将继续在本财政年度对本集团的营业额和盈利有显著的贡献。本集团将持续专注于住宅产业市场，以合理的价格为顾客建设品质优良的美好家园。

关于这一点，我很高兴向大家报告，本集团于2012年6月11日与Johor Land Berhad签订附带条件的合约购买了其坐落于乌鲁地南占地面积为240.034英亩的土地，以供未来的综合发展。

产业投资，贸易，休闲和娱乐部门也将继续为本集团的营业额和盈利作出积极贡献。

除非在任何不可预见的情况下，董事局依然对本财政年度截至2013年6月30日止集团的财务表现乐观。

致谢

本人谨代表董事局，由衷感谢我们尊贵的股东，所有的客户，政府机关，银行，商业同仁，一直以来给予本集团的支持与合作。

最后，我也想感谢我的董事局成员和全体员工，特别是在这充满挑战的时代，他们的竭诚服务，贡献和忠诚。

Dato' Ahmad Johari Bin Tun Abdul Razak
Chairman

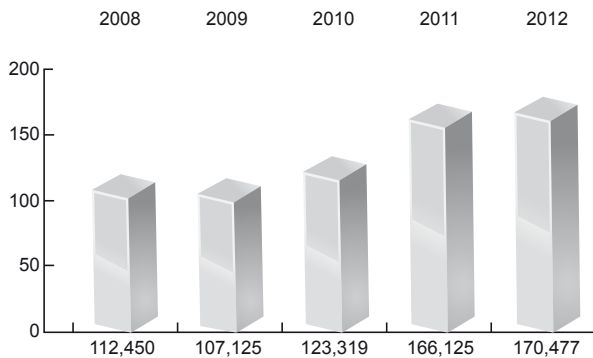


GROUP FINANCIAL HIGHLIGHTS

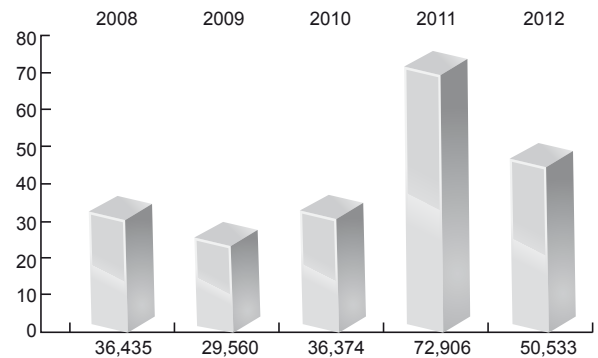
集团财务摘要

	2012	2011	2010	2009	2008
Revenue 营业额 (RM'000)	170,477	166,125	123,319	107,125	112,450
Profit Before Tax 扣税前盈利 (RM'000)	50,533	72,906	36,374	29,560	36,435
Shareholders' Fund 股东资金 (RM'000)	978,160	952,659	910,964	931,413	923,959
Total Net Current Assets 净流动资产总额 (RM'000)	282,251	404,932	396,386	364,757	350,754
Earning Per Share 每股收益 (Sen)	18.42	27.54	13.97	11.10	13.27
Gross Dividend Paid 已付毛股息 (%)	12	10	10	15	10

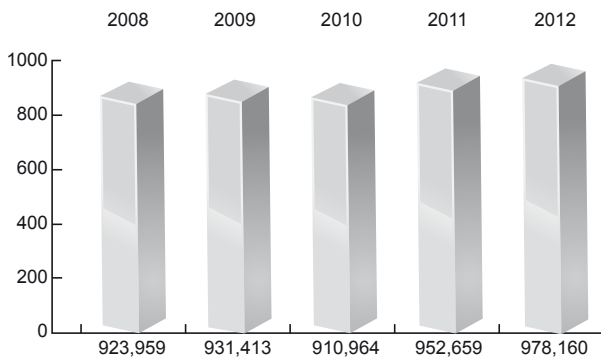
REVENUE 营业额 (RM'000)



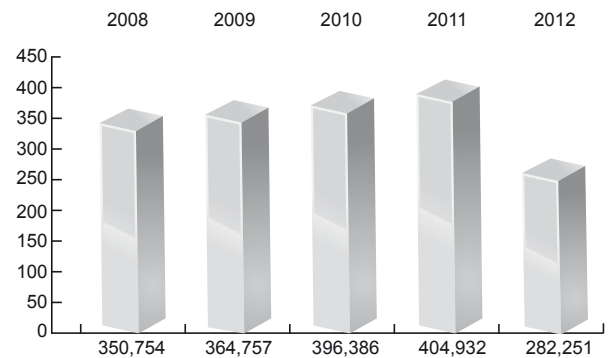
PROFIT BEFORE TAX 扣税前盈利 (RM'000)



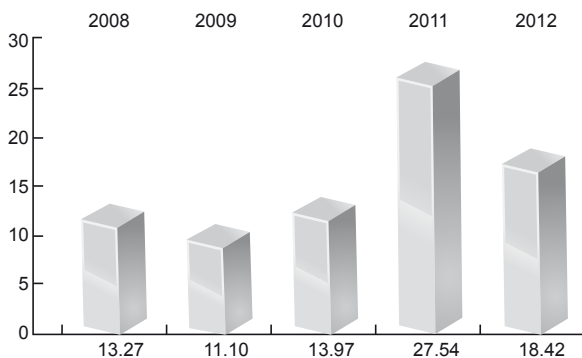
SHAREHOLDERS' FUND 股东资金 (RM'000)



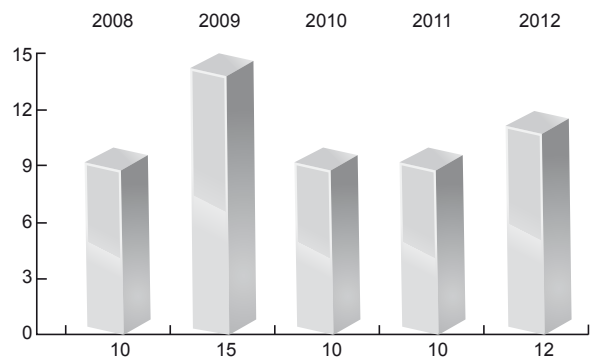
TOTAL NET CURRENT ASSETS 净流动资产总额 (RM'000)



EARNING PER SHARE 每股收益 (SEN)



GROSS DIVIDEND PAID 已付毛股息 (%)





CORPORATE GOVERNANCE STATEMENT

The Board of Directors (the “Board”) of Daiman Development Berhad (the “Company”) and its subsidiaries (the “Group”) recognise that the exercise of good corporate governance in conducting the business and affairs of the Company with integrity, transparency and professionalism are key components for the Company’s continued progress and success.

The Board is committed to supporting the recommendations of the Malaysian Code on Corporate Governance (the “Code”) and steps are continuously being undertaken to prepare the Group to adopt, implement and fulfill the Principles and Best Practices of the Code and the Listing Requirements of the Bursa Malaysia Securities Berhad (the “Bursa Malaysia”).

BOARD OF DIRECTORS

• BOARD COMPOSITION

The Board currently consists of seven members, comprising a Chairman who is also an Independent Non-executive Director, the Managing Director, three Executive Directors and two Independent Non-executive Directors.

The roles of the Chairman and the Managing Director are distinctly separate and clearly defined. The positions are held by two persons. The Chairman is primarily responsible for the proper conduct and working of the Board whilst the Managing Director is responsible for the day-to-day running of the business and implementation of Board policies and decisions.

Mr Ong Seng Pheow is the Senior Independent Non-executive Director of the Board.

The number of Board meetings held in the year and details of attendance of each individual Director are disclosed in the Other Corporate Information on Page 8 of this Report.

• SUPPLY OF INFORMATION

All Directors are provided with an agenda inclusive of detailed report and a set of Board papers prior to Board meetings. The Board papers are issued in sufficient time to enable the Directors to obtain further explanations, when necessary, in order to be properly briefed before the meetings, to discharge their fiduciary duties.

All Directors have access to the advice and services of the Company Secretaries, who are responsible to the Board for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with. In addition the Board also has access to independent advice in discharging its duties and responsibilities if the need arises.

• DIRECTORS’ TRAINING

The Directors are mindful that they should receive appropriate continuous training in order to keep abreast with current and topical developments in the market place and to broaden their business perspectives and update themselves with new statutory and regulatory requirement.

All the Directors attended workshops on “Key Amendments to Listing Requirements 2011 & Corporate Disclosure Guide 2011” during the year and the Board continues to monitor closely the needs of the Directors’ training.



CORPORATE GOVERNANCE STATEMENT

In addition to the above, other Directors of the Board had also attended training programmes during the financial year entitled as follows :-

Dato' Ahmad Johari Bin Tun Abdul Razak had attended seminars on :-

- Accounting for Financial Instruments Simplified (FRS 139)
- Director's Continuing Education Programme 2011

Mr Ong Seng Pheow had attended training programmes on various topics including :-

- Fraud Awareness
- Anti Money Laundering/Counter Terrorist Financing
- Briefing on Competition Act
- Risk Management
- Key Amendments to LR 2011
- Corporate Disclosure Guide 2011
- Framework of Shariah Compliance and Governance

Mr Eddie Chan Yean Hoe had attended training on :-

- As author and speaker in an in-house training programme 'Conflict of Interest Compliance', 'Finance for Non-finance Managers' and 'Risk Management'.
- Update on the property market '5th Malaysian Property Summit', Tax Update at the 'National Tax Conference 2012' and MASB's Roundtable Discussion – Issue on IC 15 via web conferencing.

Mr Ho Sing had attended an in-house organisational training on :-

- Risk Management Essentials
- Listed Company Director Essentials
- Mandatory Accreditation Programme for Directors of Public Listed Companies
- IPS Conference Integration
- Investor & Media Relations

• BOARD COMMITTEES

The Board has delegated certain responsibilities and duties to the Board Committees which operate within clearly defined Terms of Reference. These committees are:

1. The Audit Committee

The composition, the terms of reference and activities of the Audit Committee are separately set out on the Audit Committee Report on Page 30 - 34 of this Report.

2. The Remuneration Committee

The Board established the Remuneration Committee on 29 August 2001 in compliance with the Code. The Committee comprises of three Independent Non-executive Directors and one Executive Director.

The primary responsibility of the Remuneration Committee is to establish a formal and transparent procedure for developing and reviewing the remuneration of the Executive Directors.

The members of the Remuneration Committee are as follows:

Dato' Ahmad Johari Bin Tun Abdul Razak (Chairman)
Mr Tay Tian Liang
Mr Ong Seng Pheow
Mr Ho Sing (appointed w.e.f. 20 December 2011)

The Committee convened on 28 August 2012 to assess and review the directors' fee, the remuneration of the Executive Directors and the meeting allowance of Independent Non-executive Directors. The Committee observed that the remuneration of the Executive Directors of the Company is within the range of directors' remuneration in comparable companies.



CORPORATE GOVERNANCE STATEMENT

The Committee also met once on 24th November 2011 to approve and recommend salary increment to three Executive Directors and a special bonus to Mr Eddie Chan as an appreciation of his contribution and involvement in the post acquisition activities of Menara Landmark and to lead its business development.

3. The Nomination Committee

The Board established the Nomination Committee on 29 August 2001. The Committee comprises exclusively of Non-executive Directors, all of whom are independent. The Committee is responsible for making recommendations on new nominees to the Board.

The Committee met on 24th November 2011 to approve and to recommend to the Board for approval the appointment of Mr Ho Sing as an Independent Non-executive Director and a member of Audit Committee, Nomination Committee and Remuneration Committee.

The members of the Nomination Committee are as follows:

Dato' Ahmad Johari Bin Tun Abdul Razak (Chairman)
Mr Ong Seng Pheow
Mr Ho Sing (appointed w.e.f. 20 December 2011)

The Committee met on 28 August 2012 to discuss and note the Directors retiring under Article 77 and Article 83 of the Company's Articles of Association at the forthcoming Annual General Meeting.

The members assessed the current compositions and effectiveness of the Board and the performances and effectiveness of each individual directors.

DIRECTORS' REMUNERATION

The details of the remuneration for the Directors of the Company, on a group basis, for the financial year ended 30 June 2012 are disclosed under Note 8 of the Audited Financial Statement on page 73 of this Report.

INVESTOR RELATION AND SHAREHOLDER COMMUNICATION

The Board acknowledges the need for Shareholders to be informed of all material business matters affecting the Group. The quarterly financial results were released on a timely basis to provide the Shareholders with an overview of the Group's performance and operations.

The Company has been using the Annual General Meeting ("AGM") usually held in November each year as the principal forum for communicating with the Shareholders. Shareholders who are unable to attend are allowed to appoint proxies to attend and vote on their behalf.

A press briefing is also held immediately after the AGM where questions on the Group's activities and performance from the reporters are answered. Individual briefings to fund managers and financial analysts are also held upon request. In addition, the Group's website, www.daiman.com.my also serve to provide easy access of information on the Group's various activities.



CORPORATE GOVERNANCE STATEMENT

ACCOUNTABILITY AND AUDIT

• FINANCIAL REPORTING

The Board is responsible to ensure that the financial statements of the Group are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia. The Board also ensures that the Group has used appropriate accounting policies for the preparation of its financial statements, are consistently applied and supported by reasonable and prudent judgement and estimates.

The financial statements are presented to the Audit Committee for its review and recommendation and collectively approved by the Board to ensure that the financial statements present a balanced and fair assessment of the Company's position.

• RELATIONSHIP WITH THE AUDITORS

The Audit Committee and the External Auditors met to discuss the Group's system of internal controls and other relevant legal or regulatory compliances without the presence of the Executive Directors and management personnel.

COMPLIANCE WITH THE CODE

The Group endeavours, in so far as it is practicable, to comply with the Principles and Best Practices of the Malaysian Code on Corporate Governance throughout the financial year.

INTERNAL CONTROL STATEMENT

1. Introduction

The Malaysian Code on Corporate Governance requires the board of a listed company to maintain a sound system of internal control to safeguard Shareholders' investment and the Group's assets. This Internal Control Statement is made in accordance with the Malaysian Code on Corporate Governance and Paragraph 15.26(b) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, which requires Malaysian Public Listed Companies to make a statement about their state of internal controls, as a Group, in their annual report.

2. Board of Director's Responsibilities

The Board recognises that internal control is an integral part of managing risk and acknowledges its overall responsibility to maintain a sound system of internal control to cover the governance, financial, compliance and operational controls of the Group. The Board also recognises its responsibility to continuously review the adequacy and integrity of the system of internal control to safeguard shareholders' investment and the Group's assets. However, it should be noted that the system is designed to manage rather than to eliminate the risk of failure to achieve the business objectives and can only provide reasonable and not absolute assurance against material errors, misstatement, losses or fraud.



CORPORATE GOVERNANCE STATEMENT

3. Enterprise Risk Management Framework

The Board recognises its responsibility over the principal risks of various aspects of the Group's businesses and it is crucial to achieve a critical balance between risks incurred and potential returns. The Board, throughout the current financial year, has identified, evaluated and managed the significant risks faced by the Group through the monitoring of the Group's operational efficiency and profitability at its Board Meetings.

There is an on-going and systematic risk management process undertaken by Management to identify, assess and evaluate principal risks and to ensure that appropriate risk treatments are in place to mitigate those risks affecting the achievement of the Group's business objectives.

4. Internal Audit Function

The Group has outsourced its internal audit function to an independent professional firm, CGRM Infocomm Sdn Bhd ("CGRM"). CGRM supported the Audit Committee, and by extension, the Board, by providing independent assurance on the effectiveness and efficiency of the Group's system of internal control.

In particular, CGRM appraised and contributed towards improving the Group's internal control, risk management and governance systems. They reported to the Audit Committee on a periodic basis. Detailed audit coverage and audit issues were discussed with the Business Assurance Committee prior and subsequent to each audit work. The scope of CGRM's function covered during the audit or review of governance, risk assessment, compliance, operational and financial control was in accordance to the approved internal audit plan. The internal audit work plan was risk-based and reflected the risk profile of the Group's major business sectors which was routinely reviewed and approved by the Audit Committee. In their audit work, CGRM made reference to the guidelines of The International Professional Practices Framework (IPPF); International Standards for the Professional Practice of Internal Auditing and Code of Ethics as well as the Group's policies.

5. Internal Control System

The Board has assigned the Audit Committee the duty of reviewing and monitoring the effectiveness of the Group's internal control system. The Group's key internal control processes were assessed based on the principles of COSO Guidance on Internal Control – Integrated Frameworks.

Control Environment

A clear organisational structure has been established with clear-defined lines of responsibilities, reporting and accountability to the Board, Committees, Management and Operating units. There was adequate upper level managerial support wherein, the management team was cohesive and complements each other in terms of skills and experience. They showed good leadership and demonstrated a strong commitment towards competence, teamwork, integrity and ethical behaviour by example in their daily conduct.

Risk Assessment

Risks were discussed during regular Management meetings.



CORPORATE GOVERNANCE STATEMENT

Control Activities

- Quarterly financial reports showing actual results against budget were tabled to the Board and performance of each subsidiary were discussed and monitored. Variances on group's performance from the budget were explained and discussed.
- All manager and personnel involved in purchasing process and decision-making have attended a workshop on the group's Code of Ethics and Conflict-of-Interests requirements.
- Discretionary Authority Limit Chart had been established and communicated to all levels of employees for implementation.
- Standard Operating Policies and Procedures also have been established and documented for key processes within the Group. These policies and procedures are reviewed and revised as and when required to meet the changing business, operational and statutory reporting requirements.
- The Group is also committed to its moral and legal responsibility to ensure that all employees work in a safe and healthy environment as prescribed by the Occupational Safety and Health Act, 1994.

Information and Communication

Pertinent information was identified, captured and utilised at all levels of the Group. These were distributed in a form and timeframe that supports the achievement of operational and financial reporting objectives. Communications were mostly via email facilities as well as verbal with an emphasis placed on effective and open communication within the Group.

Additionally, issues and matters arising from operations are discussed during various periodic Committees, Management and Board meetings with minutes of meetings taken.

Monitoring

The Group has an appropriate accounting and reporting system to ensure proper and correct recording of financial information and timely generation of up-to-date information including key financial and operational indicators for Management's review and action. Moreover, quarterly reviews on actual performance against budget are conducted to highlight any variance that arose which may require immediate Management action. Management also constantly monitors the gaps and highlighted issues through the conduct of follow-up audits and had showed its commitment to improve on current processes and internal controls.

6. Conclusion

The External Auditors have reviewed this Statement on Internal Control for the inclusion in the Annual Report for the financial year ended 30 June 2012 and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

The Board will continue to take measures and maintain an ongoing commitment to strengthen the Group's control environment and processes. The Board is pleased to report that there were no material internal control system failures nor have any of the reported weaknesses resulted in material losses or contingencies that would require mention in the Group's annual report for the financial year ended 30 June 2012.

This statement was made in accordance with the resolution of the Board of Directors passed on 28 August 2012.



CORPORATE GOVERNANCE STATEMENT

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required to prepare financial statements which give a true and fair view of the financial position of the Group and the Company as at the end of each financial year and of their results and their cash flows for that year then ended.

The Directors of the Group and the Company consider that in preparing the financial statements:

- appropriate accounting policies have been used and are consistently applied;
- reasonable and prudent judgements and estimates were made; and
- all applicable approved accounting standards in Malaysia have been complied with.

The Directors are responsible for ensuring that the Group maintains accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enables them to ensure that the financial statements comply with the Companies Act, 1965 and applicable approved accounting standards.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.



CORPORATE SOCIAL RESPONSIBILITY

Daiman Development Berhad's corporate social responsibility policy is founded on social cause and corporate sponsorships in key areas such as education, sports, the environment and helping the underprivileged.

The integral role to deliver habitable accommodation, affordable and high standard of housing in the private sector is a testament to our commitment to ensure society will gain and benefit from the property developments undertaken by us.

The Group continues to embark on beautifying and greening of open spaces and parks within the Group's development activities. The Group would ensure that there are sufficient measures at all construction sites to prevent any adverse impact on the environment.

The Group provides gainful employment and as part of the continuing effort to educate, the staff had attended various external trainings, seminars, and specialist workshops in communication, accounting, technical and management courses focusing on improvement in staff knowledge and skill development. The Group is committed to its moral and legal responsibility to ensure that all employees work in a safe and healthy environment as prescribed under the Occupational Safety and Health Act, 1994. In appreciating the contribution of our staff, an annual dinner was organised.

During the year, the Group had made contributions and donations to several organisations for sports, social & welfare heritage and cultural activities.



AUDIT COMMITTEE REPORT

COMPOSITION AND DESIGNATION

Member	Designation	Attendance
Ong Seng Pheow (Chairman)	Senior Independent Non-executive Director	4/4
Dato' Ahmad Johari Bin Tun Abdul Razak	Independent Non-executive Director	4/4
Ho Sing (appointed w.e.f. 20 December 2011)	Independent Non-executive Director	2/4

TERMS OF REFERENCE

The Terms of Reference for the Audit Committee set out by the Board of Directors are as follows:

MEMBERSHIP

The Audit Committee shall be appointed by the Board from among their members and shall consist of not less than three members. All the Audit Committee members must be non-executive directors with a majority of them being independent directors.

At least one of the members of the Committee

- (i) must be a member of the Malaysian Institute of Accountants (MIA); or
- (ii) if he is not a member of the MIA, he must have at least 3 years' working experience and:
 - (a) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - (b) he must have passed the examinations specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- (iii) he must fulfill such other requirements as prescribed or approved by the Exchange.

No alternate director shall be appointed as a member of the Committee.

The members of the Committee shall elect a Chairman from among their members who shall be an Independent Director.

The terms of office and performance of each member shall be reviewed at least once every three years by the Board.

PURPOSE OF COMMITTEE

The purposes of the Committee are as follows:

1. To provide assistance to the Board in fulfilling its fiduciary responsibilities relating to corporate accounting and reporting practices for the Company.
2. To maintain, through regularly scheduled meetings, a direct line of communication between the Board and the External Auditors as well as the Internal Auditors.
3. To avail to the External and Internal Auditors a private and confidential audience at any time the desire and to request such audience through the Chairman of the Committee, with or without the prior knowledge of Management.



AUDIT COMMITTEE REPORT

4. To act upon the Board's request to investigate and report on any issue of concern with regard to the management of the Company.
5. To ensure compliance with any such changes/amendments/updates/insertions of the listing requirements and any other applicable laws and regulations, arising thereof from time to time.

SECRETARY

The Secretary of the Committee shall be the Company Secretary.

FREQUENCY AND ATTENDANCE OF COMMITTEE MEETINGS

Meetings shall be held not less than 2 times a year and as when required during each financial year.

The External Auditors may request a meeting if they deem necessary.

The Finance Director, the Financial Controller, Chief of Finance Department/Accounts Department/Internal Audit, and a representative of the External Auditors shall normally attend meetings. Other Board members may attend meetings upon invitation of the Committee.

The quorum for a meeting shall be 2 members, both of whom must be Independent Directors.

In the absence of the Chairman of the Committee, members present shall elect a Chairman for the meeting from amongst the Independent Directors.

A committee member shall be deemed to be present at a meeting of the Committee if he participates by instantaneous telecommunication device and all members of the Committee participating in the meeting of the Committee are able to hear each other and recognize each other's voice, and for this purpose, participation constitutes prima facie proof of recognition. For the purposes of recording attendance, the Chairman or Secretary of the Committee shall mark on the attendance sheet that the committee member was present and participating by instantaneous telecommunication device.

A committee member may not leave the meeting by disconnecting his instantaneous telecommunication device unless he has previously obtained the express consent of the Chairman of the meeting and a committee member will be conclusively presumed to have been present and to have formed part of the quorum at all times during the committee meeting by instantaneous telecommunication device unless he has previously obtained the express consent of the Chairman of the committee meeting to leave the meeting.

Minutes of the proceedings at a committee meeting by instantaneous telecommunication device will be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as correct minutes by the Chairman of the committee meeting.

Instantaneous telecommunication device means any telecommunication conferencing device with or without visual capacity.

A resolution in writing signed and approved by a majority of the Committee and who are sufficient to form a quorum shall be as valid and effective as if it had been passed at a Meeting of the Committee duly called and constituted.

MINUTES

The minutes of each meeting shall be kept and distributed to each member. All minutes of meetings shall be circulated to every member of the Board. The Chairman of the Committee shall report on each meeting to the Board.



AUDIT COMMITTEE REPORT

AUTHORITY

The Committee shall, in accordance with a procedure to be determined by the Board and at the cost of the Company:

1. have authority to investigate any matters of the Company and its subsidiaries, within its terms of reference, where it deems necessary, investigate any matter referred to it or that it has come across in respect of a transaction that raises questions of management integrity, possible conflict of interest, or abuse by a significant or controlling shareholder;
2. have resources which are required to perform its duties;
3. have full and unrestricted access to any information pertaining to the Company;
4. (i) have direct communication channels with the External Auditors;
(ii) have direct authority over the internal audit function of which is independent from management and operations;
5. be able to obtain and seek outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary; and
6. be able to convene meetings with the External Auditors, the Internal Auditors or both, excluding the attendance of other directors and employees of the Company.

FUNCTIONS AND DUTIES

The functions and duties of the Committee are as follows:

1. (i) To consider and recommend the appointment of the External Auditors, the audit fee, and any questions of resignation or dismissal, and inquire into the staffing and competence of the External Auditors in performing their work and assistance given by the Company's officers to the External Auditors.
(ii) Where the External Auditors are removed from office or give notice to the Company of their desire to resign as External Auditors, the Committee shall ensure that the Company immediately notify Bursa Malaysia Securities Bhd ("Bursa") and forward to the Exchange a copy of any written representations or written explanations of the resignation made by the External Auditors at the same time as copies of such representations or explanations are submitted to the Registrar of Companies pursuant to section 172A of the Companies Act 1965.
2. (i) To discuss with the External Auditors before the audit commences the nature, scope and any significant problems that may be foreseen in the audit, ensure adequate tests to verify the accounts and procedures of the Company and ensure co-ordination where more than one audit firm is involved; and
(ii) To ensure and confirm that the management has placed no restriction on the scope of the audit.



AUDIT COMMITTEE REPORT

3. To review the quarterly announcements to the Bursa Malaysia Securities Berhad and the annual financial statements before submission to the Board, focusing particularly on:
 - Any changes in accounting policies and practice;
 - Major judgmental areas;
 - Significant adjustments resulting from the audit;
 - Any significant transactions which are not a normal part of the Group's business;
 - The going concern assumptions;
 - Compliance with the accounting standards;
 - Compliance with stock exchange and legal requirements;
 - Assess the quality and effectiveness of the internal control system and the efficiency of the Company operations;
 - The quality and effectiveness of the entire accounting and internal control system; and
 - The adequacy of the disclosure of information essential to a fair and full presentation of the financial affairs of the Group.
4. To discuss problems and reservations arising from the interim and final audits, and any matters the External Auditors may wish to discuss in the absence of the management where necessary.
5. For the internal audit functions, to:
 - Consider and recommend the appointment or termination of the Internal Auditors, the fee and inquire into the staffing and competence of the Internal Auditors in performing their work (if the internal audit function is outsourced);
 - Review the adequacy of the competency of the internal audit function including the scope and resources and ensuring that the Internal Auditors have the necessary authority to carry out their work;
 - Review internal audit program;
 - Ensure co-ordination of external audit with internal audit;
 - Consider major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;

If the internal audit function is performed in-house, to

 - Review any appraisal or assessment of the performance of the staff of the internal audit function;
 - Approve any appointment or termination of senior staff member of the internal audit function;
 - Inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reason of resignation;



AUDIT COMMITTEE REPORT

6. To review the External Auditors' management letter and management's response;
7. To consider:
 - any related party transactions that may arise within the Company or the Group and to ensure that Directors report such transactions annually to shareholders via the annual report, and
 - in respect of the recurrent related party transactions of a revenue or trading nature which are subject of a shareholders' mandate, prescribe guidelines and review procedures to ascertain that such transactions are in compliance with the terms of the shareholders' mandate.
8. To report to Bursa Malaysia Securities Berhad ("Bursa") on matters reported by it to the Board that have not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa.
9. To consider other topics, as may be defined and directed by the Board from time to time.

SUMMARY OF ACTIVITIES DURING THE YEAR

Four Audit Committee meetings were held during the financial year ended 30 June 2012 on 24 August 2011, 24 November 2011, 28 February 2012 and 29 May 2012. One meeting was also held on 28 August 2012 since the last financial year end. At these meetings, the Committee reviewed the results and announcements of the Company and the Group, including the Audited Financial Statements.

The Committee met with the External Auditors to discuss the annual audit plan and significant accounting and auditing issues and to receive and discuss the Internal Control and Management Letter reports subsequent to the completion of their audit. The Independent Non-executive Directors of the Audit Committee met with the External Auditors without the presence of the Executive Directors to satisfy themselves that the External Auditors were able to carry out their duties without any hindrances. The Audit Committee noted that the External Auditors were given the fullest co-operation and that the audit points were attended to. During the year, the Committee also reviewed the Group's compliance with applicable accounting standards and Bursa Malaysia Securities Berhad's Listing Requirements including the Malaysian Code on Corporate Governance.

The Audit Committee had three meetings with the Internal Auditors since the date of the last report. The findings on examination of internal control procedures and the evaluation of the business processes by the Internal Auditors and the Management were discussed and the audit priorities agreed for execution. The findings of the Internal Auditors were deliberated and Management's responses and actions thereto duly noted. The internal audit fee incurred during the year was RM64,060.

The deliberations of the Committee were reported to the Board for noting and action, where necessary.



FINANCIAL CALENDAR

财务目录

Financial Year End 财务年结	30 June 2012 2012年6月30日
Announcement of 2012 Unaudited Results 宣告2012年稽查报告	28 August 2012 2012年8月28日
Despatch of Annual Report & Share Buy-back Statement to Shareholders 分发常年报告书及回购库存股报告书予股东	5 November 2012 2012年11月5日
Announcement of Quarterly Results to 30 September 2012 宣告2012年9月30日的业绩	November 2012 2012年11月
Annual General Meeting 常年大会	27 November 2012 2012年11月27日
Payment of 2012 Proposed Dividend 派发2012年建议股息	7 January 2013 2013年1月7日
Announcement of Quarterly Results to 31 December 2012 宣告2012年12月31日的业绩	February 2013 2013年2月
Announcement of Quarterly Results to 31 March 2013 宣告2013年3月31日的业绩	May 2013 2013年5月



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DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activities of the Company are property development and investment holding.

The principal activities of the subsidiaries are property development, property investment, sale of building materials, operation of golf, sports and recreation clubs, operation of bowling centre, nursery operation and investment holding.

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

RESULTS

	Group RM'000	Company RM'000
Profit net of tax	<u>38,786</u>	<u>20,393</u>
Attributable to: Owners of the parent	<u>38,786</u>	<u>20,393</u>

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

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than those as disclosed in the financial statements.

DIVIDENDS

The amount of dividends paid by the Company since 30 June 2011 were as follows :

	RM'000
In respect of the financial year ended 30 June 2011 as reported in the directors' report of that year :	
First and final dividend of 12% less income tax of 25% taxation, on 210,585,100 ordinary shares, declared on 24 November 2011 and paid on 6 January 2012	<u>18,953</u>

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 30 June 2012, of 10% less income tax of 25% taxation on 210,584,800 ordinary shares, amounting to a total dividend payable of RM15,793,860 (7.50 sen net per ordinary share) will be proposed for Shareholders' approval. The financial statements for the financial year under review do not reflect this proposed dividend. Such dividend, if approved by the Shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2013.



DIRECTORS' REPORT

DIRECTORS

The names of the Directors in office since the date of the last report and at the date of this report are :

Dato' Ahmad Johari Bin Tun Abdul Razak (Chairman)
Tay Thiam Song (Managing Director)
Tay Tian Liang
Tay Thiam Yew
Eddie Chan Yean Hoe
Ong Seng Pheow
Ho Sing (appointed on 20 December 2011)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in Note 8 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 24 to the financial statements.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholding, the interests of Directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows :

The Company

	Number of Ordinary Shares of RM1 each			30 June 2012
	1 July 2011	Acquired	Disposed	
Direct interest				
Dato' Ahmad Johari Bin Tun Abdul Razak	1,672,000	-	-	1,672,000
Tay Thiam Song	1,660,800	203,300	-	1,864,100
Tay Tian Liang	896,600	-	-	896,600
Tay Thiam Yew	10,000	-	-	10,000
Eddie Chan Yean Hoe	170,000	-	-	170,000
Ong Seng Pheow	170,000	-	-	170,000
Deemed interest				
Tay Thiam Song	103,160,904	207,800	-	103,368,704
Tay Tian Liang	103,268,904	207,800	-	103,476,704
Tay Thiam Yew	103,158,904	207,800	-	103,366,704

Tay Thiam Song, Tay Tian Liang and Tay Thiam Yew, by virtue of their interests in the shares of the Company, are also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

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



DIRECTORS' REPORT

TREASURY SHARES

During the financial year, the Company repurchased 1,300 of its issued and fully paid ordinary shares from the open market at an average price of RM1.97 per share. The total consideration paid for the purchase including transaction costs was RM2,557. The purchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

As at 30 June 2012, the Company held a total of 1,606,900 treasury shares out of its existing outstanding 212,191,700 ordinary shares in issue. Such treasury shares are held at a carrying value of RM2,468,195 and further relevant details are disclosed in Note 22(b) to the financial statements.

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps :
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render :
- (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances 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) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist :
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.



DIRECTORS' REPORT

(f) In the opinion of the Directors :

- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet its obligations when they fall due; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

Details of significant events are disclosed in Note 26 to the financial statements.

SUBSEQUENT EVENTS

Details of subsequent event are disclosed in Note 29 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 28 August 2012.

TAY THIAM SONG

TAY TIAN LIANG



STATEMENT BY DIRECTORS

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

We, **TAY THIAM SONG** and **TAY TIAN LIANG**, being two of the Directors of **DAIMAN DEVELOPMENT BERHAD**, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 44 to 108 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2012 and of their financial performance and cash flows for the year then ended.

The information set out in Note 33 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 28 August 2012.

TAY THIAM SONG

TAY TIAN LIANG

STATUTORY DECLARATION

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

I, **EDDIE CHAN YEAN HOE**, being the Director primarily responsible for the financial management of **DAIMAN DEVELOPMENT BERHAD**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 44 to 109 are in my opinion 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 **EDDIE CHAN YEAN HOE** at Johor)
Bahru in the State of Johor Darul Ta'zim on)
28 August 2012.) **EDDIE CHAN YEAN HOE**

Before me,
HARCHARAN SINGH A/L CHANCHEL SINGH
Comissioner for Oaths
No. J210
Johor Bahru



Independent auditors' report to the members of Daiman Development Berhad (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of Daiman Development Berhad, which comprise the statements of financial position as at 30 June 2012 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 44 to 108.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

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



Independent auditors' report to the members of Daiman Development Berhad (cont'd) (Incorporated in Malaysia)

Report on other legal and regulatory requirements

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

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

Other matters

The supplementary information set out in Note 33 on page 109 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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

Ernst & Young
AF 0039
Chartered Accountants

Wun Mow Sang
1821/12/12(J)
Chartered Accountant

Johor Bahru, Malaysia
Date : 28 August 2012



STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Note	Group		Company	
		2012 RM'000	2011 (restated) RM'000	2012 RM'000	2011 (restated) RM'000
Revenue	4	170,477	166,125	34,470	67,119
Cost of sales	5	(101,257)	(103,814)	(19,298)	(30,490)
Gross profit		69,220	62,311	15,172	36,629
Other operating income		20,447	37,974	19,672	30,907
Other items of expense					
Other operating expenses		(11,250)	(3,782)	(1,014)	(912)
Administrative expenses		(26,065)	(21,896)	(12,578)	(9,967)
Sales and distribution expenses		(1,819)	(1,701)	-	-
Profit before tax	6	50,533	72,906	21,252	56,657
Income tax expense	9	(11,747)	(14,917)	(859)	(7,571)
Profit net of tax		38,786	57,989	20,393	49,086
Other comprehensive income					
Loss on fair value changes in available-for-sale financial assets		(580)	(508)	(580)	(508)
Impairment loss on land held for development		-	(3,730)	-	(3,730)
Deferred taxation arising from impairment loss on land held for development	21	-	933	-	933
Revaluation of land and buildings		-	6,149	-	-
Foreign currency translation		6,250	(6,953)	-	-
Other comprehensive income for the year		5,670	(4,109)	(580)	(3,305)
Total comprehensive income for the year		44,456	53,880	19,813	45,781
Profit attributable to:					
Owners of the parent		38,786	57,996	20,393	49,086
Minority interests		-	(7)	-	-
		38,786	57,989	20,393	49,086
Total comprehensive income attributable to:					
Owners of the parent		44,456	53,887	19,813	45,781
Minority interests		-	(7)	-	-
		44,456	53,880	19,813	45,781
Earnings per share attributable to owners of the parent (sen per share):					
Basic/Diluted	10	18.42	27.54		
Net dividends per share (sen)					
Paid	11	9.00	7.50		

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	Note	30.6.2012 RM'000	Group As at 30.6.2011 (restated) RM'000	1.7.2010 (restated) RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	12	180,842	122,441	116,414
Land held for property development	13(a)	373,049	373,579	375,973
Investment properties	14(a)	257,417	189,957	167,876
Other investments	16(a)	27,913	7,895	3,477
		<u>839,221</u>	<u>693,872</u>	<u>663,740</u>
Current assets				
Property development costs	13(b)	90,347	88,912	116,595
Inventories	17	5,204	14,012	30,720
Receivables	18	61,489	49,336	26,421
Prepayments		12,604	1,648	1,681
Tax recoverable		504	1,770	2,921
Other investments	16(b)	64,062	217,682	248,000
Cash and cash equivalents	19	119,421	97,454	33,351
Investment property held for sale	14(b)	1,808	-	-
		<u>355,439</u>	<u>470,814</u>	<u>459,689</u>
TOTAL ASSETS		<u>1,194,660</u>	<u>1,164,686</u>	<u>1,123,429</u>
EQUITY AND LIABILITIES				
Current liabilities				
Payables	20	33,166	25,684	24,474
Tax payable		40,022	40,198	38,829
		<u>73,188</u>	<u>65,882</u>	<u>63,303</u>
Net current assets		<u>282,251</u>	<u>404,932</u>	<u>396,386</u>
Non-current liabilities				
Retirement benefit obligations		898	977	1,927
Provision for foreseeable losses for affordable houses	20	123,765	123,765	123,765
Deferred taxation	21	18,649	21,403	23,470
		<u>143,312</u>	<u>146,145</u>	<u>149,162</u>
Total liabilities		<u>216,500</u>	<u>212,027</u>	<u>212,465</u>
Net assets		<u>978,160</u>	<u>952,659</u>	<u>910,964</u>
Equity attributable to owners of the parent				
Share capital	22	212,192	212,192	212,192
Reserves	23	765,968	740,467	697,578
		<u>978,160</u>	<u>952,659</u>	<u>909,770</u>
Minority Interest		-	-	1,194
Total equity		<u>978,160</u>	<u>952,659</u>	<u>910,964</u>
TOTAL EQUITY AND LIABILITIES		<u>1,194,660</u>	<u>1,164,686</u>	<u>1,123,429</u>



STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	Note	30.6.2012 RM'000	Company As at 30.6.2011 (restated) RM'000	1.7.2010 (restated) RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	12	5,988	1,826	1,730
Land held for property development	13(a)	336,161	329,399	332,417
Investment properties	14	153,424	147,074	120,467
Investment in subsidiaries	15	165,865	135,203	134,358
Amount due from subsidiaries	15	130,449	63,382	76,724
Other investments	16(a)	27,913	7,895	3,477
		<u>819,800</u>	<u>684,779</u>	<u>669,173</u>
Current assets				
Property development costs	13(b)	28,364	31,354	49,486
Inventories	17	2,684	1,122	8,675
Receivables	18	12,601	14,963	5,486
Prepayments		932	947	957
Other investments	16(b)	60,689	129,147	181,105
Cash and cash equivalents	19	35,456	84,087	9,286
		<u>140,726</u>	<u>261,620</u>	<u>254,995</u>
TOTAL ASSETS		<u>960,526</u>	<u>946,399</u>	<u>924,168</u>
EQUITY AND LIABILITIES				
Current liabilities				
Payables	20	9,714	5,637	12,472
Tax payable		35,079	37,680	36,348
		<u>44,793</u>	<u>43,317</u>	<u>48,820</u>
Net current assets		<u>95,933</u>	<u>218,303</u>	<u>206,175</u>
Non-current liabilities				
Amount due to subsidiaries	15	21,957	8,144	11,201
Retirement benefit obligations		434	338	1,274
Provision for foreseeable losses for affordable houses	20	76,604	76,604	76,604
Deferred taxation	21	25,607	27,723	28,621
		<u>124,602</u>	<u>112,809</u>	<u>117,700</u>
Total liabilities		<u>169,395</u>	<u>156,126</u>	<u>166,520</u>
Net assets		<u>791,131</u>	<u>790,273</u>	<u>757,648</u>
Equity attributable to owners of the parent				
Share capital	22	212,192	212,192	212,192
Reserves	23	578,939	578,081	545,456
Total equity		<u>791,131</u>	<u>790,273</u>	<u>757,648</u>
TOTAL EQUITY AND LIABILITIES		<u>960,526</u>	<u>946,399</u>	<u>924,168</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Non-Distributable					Distributable		Total Equity
	Share Capital	Treasury Shares	Capital Redemption Reserve	Revaluation Reserve	Foreign Exchange Reserve	Fair Value Adjustment Reserve	Retained Earnings	
Note	22	22	23	23	23	23	23	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening balance as at 1 July 2011	212,192	(2,466)	23,064	120,119	(10,566)	(508)	610,824	952,659
Realisation of revaluation surplus on disposal of property	-	-	-	(380)	-	-	380	-
Total comprehensive income	-	-	-	-	6,250	(580)	38,786	44,456
Transactions with owners								
Dividends on ordinary shares	-	-	-	-	-	-	(18,953)	(18,953)
Realisation of foreign exchange reserve	-	-	-	-	479	-	(479)	-
Purchase of treasury shares	-	(2)	-	-	-	-	-	(2)
Total transactions with owners	-	(2)	-	-	479	-	(19,432)	(18,955)
Closing balance as at 30 June 2012	212,192	(2,468)	23,064	119,739	(3,837)	(1,088)	630,558	978,160

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Non-Distributable					Distributable			Minority Interests	Total Equity
	Share Capital	Treasury Shares	Capital Redemption Reserve	Revaluation Reserve	Foreign Exchange Reserve	Fair Value Adjustment Reserve	Retained Earnings	Total		
Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening balance as at 1 July 2010	212,192	(2,455)	23,064	117,090	(3,613)	-	591,094	937,372	1,194	938,566
Effects of adopting FRSIC Consensus 17 At 1 July 2010 (restated)	-	-	23,064	117,090	(3,613)	-	(27,602)	(27,602)	-	(27,602)
Effects of adopting FRS 139	-	-	-	-	-	-	563,492	909,770	1,194	910,964
Realisation of revaluation surplus on disposal of property	212,192	(2,455)	23,064	117,090	(3,613)	-	568,299	914,577	1,194	915,771
Total comprehensive income	-	-	-	(323)	-	-	323	-	-	-
	-	-	-	3,352	(6,953)	(508)	57,996	53,887	(7)	53,880
Transactions with owners										
Dividends on ordinary shares	11	-	-	-	-	-	(15,794)	(15,794)	-	(15,794)
Capital repayment	22(b)	-	-	-	-	-	-	-	(1,187)	(1,187)
Purchase of treasury shares		(11)	-	-	-	-	-	(11)	-	(11)
Total transactions with owners		(11)	-	-	-	-	(15,794)	(15,805)	(1,187)	(16,992)
Closing balance as at 30 June 2011	212,192	(2,466)	23,064	120,119	(10,566)	(508)	610,824	952,659	-	952,659

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Non-Distributable				Distributable			Total Equity
	Share Capital	Treasury Shares	Capital Redemption Reserve	Revaluation Reserve	Fair Value Adjustment Reserve	Retained Earnings		
	Note 22	Note 22	Note 23	Note 23	Note 23	Note 23		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Opening balance as at 1 July 2011	212,192	(2,466)	23,064	61,214	(508)	496,777		790,273
Realisation of revaluation surplus on disposal of property	-	-	-	(380)	-	380		-
Total comprehensive income	-	-	-	-	(580)	20,393		19,813
Transactions with owners								
Dividends on ordinary shares	-	-	-	-	-	(18,953)		(18,953)
Purchase of treasury shares	-	(2)	-	-	-	-		(2)
Total transactions with owners	-	(2)	-	-	-	(18,953)		(18,955)
Closing balance as at 30 June 2012	212,192	(2,468)	23,064	60,834	(1,088)	488,597		791,131

Note

11
22(b)

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Non-Distributable				Distributable			Total Equity RM'000
	Share Capital Note 22 RM'000	Treasury Shares Note 22 RM'000	Redemption Reserve Note 23 RM'000	Capital Reserve Note 23 RM'000	Revaluation Reserve Note 23 RM'000	Fair Value Adjustment Reserve Note 23 RM'000	Retained Earnings Note 23 RM'000	
Opening balance as at 1 July 2010	212,192	(2,455)	23,064	23,064	64,334	-	469,247	766,382
Effects of adopting FRSIC Consensus 17	-	-	-	-	-	-	(8,734)	(8,734)
As at 1 July 2010 (restated)	212,192	(2,455)	23,064	23,064	64,334	-	460,513	757,648
Effects of adopting FRS 139	-	-	-	-	64,334	-	2,649	2,649
Realisation of revaluation surplus on disposal of property	-	-	-	-	(323)	-	323	-
Total comprehensive income	-	-	-	-	(2,797)	(508)	49,086	45,781
Transactions with owners	-	-	-	-	-	-	(15,794)	(15,794)
Dividends on ordinary shares	-	(11)	-	-	-	-	-	(11)
Purchase of treasury shares	-	(11)	-	-	-	-	(15,794)	(15,805)
Total transactions with owners	-	(22)	-	-	-	-	(15,794)	(15,805)
Closing balance as at 30 June 2011	212,192	(2,466)	23,064	23,064	61,214	(508)	496,777	790,273

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Group		Company	
	2012 RM'000	2011 (restated) RM'000	2012 RM'000	2011 (restated) RM'000
Operating activities				
Profit before tax	50,533	72,906	21,252	56,657
Adjustments for :				
Deposit written off	1	-	-	-
Depreciation of property, plant and equipment	2,496	2,366	453	383
Dividend income from subsidiaries	-	-	(4,800)	(20,000)
Fair value adjustment on investment properties	(8,207)	(8,313)	(6,637)	(13,166)
Write-down of inventories	24	-	-	-
Investment property written off	-	-	681	-
Property, plant and equipment written off	1,580	21	167	2
Net loss/(gain) on investment securities held for trading	9,625	(7,447)	(1,204)	1,604
Provision/(reversal of provision) for diminution in value of investment in subsidiaries	-	-	877	(845)
(Gain)/loss on disposal of property, plant and equipment	(69)	(7)	(41)	22
(Gain)/loss on disposal of investments	(7,649)	(2,720)	967	(2,699)
Gain on disposal of investment property	-	(631)	-	(611)
Impairment loss on property, plant and equipment	-	230	-	-
Interest income	(2,034)	(3,842)	(903)	(2,497)
Provision for retirement benefits	130	130	57	64
Provision for foreseeable losses for affordable houses	4,729	3,167	1,121	1,096
Total adjustments	626	(17,046)	(9,262)	(36,647)
Operating profit before working capital changes	51,159	55,860	11,990	20,010
(Increase)/decrease in property development costs	(7,011)	11,617	(663)	3,424
Decrease in inventories	9,326	15,765	732	7,423
(Increase)/decrease in receivables	(23,111)	(22,881)	2,432	(9,467)
Increase/(decrease) in payables	7,483	1,206	4,043	(6,835)
Total changes in working capital	(13,313)	5,707	6,544	(5,455)
Cash flows from operations	37,846	61,567	18,534	14,555
Payment of retirement benefits	(210)	(1,079)	-	(1,000)
Interest received	260	138	79	65
Income tax paid	(13,484)	(13,536)	(5,574)	(6,205)
Tax refunded	73	1	-	-
Net cash flows generated from operating activities	24,485	47,091	13,039	7,415

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



STATEMENTS OF CASH FLOWS (cont'd) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Group		Company	
	2012 RM'000	2011 (restated) RM'000	2012 RM'000	2011 (restated) RM'000
Investing activities				
(Advance to)/repayment from subsidiaries	-	-	(84,773)	10,285
Increase in land held for property development	(6,311)	(1,272)	(6,762)	(712)
Interest received	1,774	3,705	824	2,432
Dividend income received from subsidiaries	-	-	4,800	20,000
Proceeds from disposal of property, plant and equipment	1,022	641	190	130
Proceeds from disposal of investments	273,328	171,617	183,232	167,921
Proceeds from disposal of investment property	-	1,362	-	1,277
Proceed from redemption of preference shares of a subsidiary	-	-	16,473	-
Purchase of investments	(145,249)	(120,814)	(154,579)	(117,144)
Refund of capital call	2,969	-	2,969	-
Additions to investment properties	(60,827)	(1,178)	(158)	(365)
Purchase of property, plant and equipment	(56,519)	(2,672)	(4,931)	(633)
Net cash flows generated from/(used in) investing activities	10,187	51,389	(42,715)	83,191
Financing activities				
Acquisition of treasury shares	(2)	(11)	(2)	(11)
Dividends paid	(18,953)	(15,922)	(18,953)	(15,794)
Repayment of share buy-back to minority shareholders	-	(996)	-	-
Net cash flows used in financing activities	(18,955)	(16,929)	(18,955)	(15,805)
Net increase/(decrease) in cash and cash equivalents	15,717	81,551	(48,631)	74,801
Effects of foreign exchange rate changes	6,250	(17,448)	-	-
Cash and cash equivalents at beginning of year	97,454	33,351	84,087	9,286
Cash and cash equivalents at end of year (Note 19)	119,421	97,454	35,456	84,087

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

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 of the Company is located at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Ta'zim. During the financial year, the principal place of business has moved from Room 501, 5th Floor, Wisma Daiman, 64 Jalan Sulam, Taman Sentosa, 80150 Johor Bahru, Johor Darul Ta'zim to Level 32 & 33, Menara Landmark, No. 12, Jalan Ngee Heng, 80000 Johor Bahru, Johor Darul Ta'zim.

The principal activities of the Company are property development and investment holding. The principal activities of the subsidiaries are property development, property investment, sale of building materials, operation of golf, sports and recreation clubs, operation of bowling centre, nursery operation and investment holding. There have been no significant changes in the nature of these principal activities during the financial year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia. At the beginning of current financial year, the Group and the Company adopted new and amended FRS which are mandatory for financial periods beginning on or after 1 July 2011 as described fully in Note 2.2.

The financial statements of the Group and of the Company have been prepared on a historical basis, except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 July 2011, the Group and the Company adopted the following new and amended FRS and IC Interpretations:

Description

IC Interpretation 18 Transfers of Assets from Customers
Amendments to FRS 7: Improving Disclosures about Financial Instruments
Amendments to FRS 1: Limited Exemptions for First-time Adopters
Amendments to FRS 1: Additional Exemptions for First-time Adopters
IC Interpretation 4 Determining Whether an Arrangement contains a Lease
Improvements to FRS issued in 2010
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement
Amendments to FRS 2: Group Cash - Settled Share Based Payment



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.2 Changes in accounting policies (cont'd)

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

Amendments to FRS 7: Improving Disclosures about Financial Instruments

The amended standard requires enhanced disclosure about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy (Level 1, Level 2 and Level 3), by class, for all financial instruments recognised at fair value. A reconciliation between the beginning and ending balance for Level 3 fair value measurements is required. Any significant transfers between levels of the fair value hierarchy and the reasons for those transfers need to be disclosed. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The fair value measurement disclosures are presented in Note 27 (a) and (b). The liquidity risk disclosures are not significantly impacted by the amendments and are presented in Note 27 (c).

FRSIC Consensus 17 Development of Affordable Housing ("FRSIC 17")

The Malaysia Institute of Accountant ("MIA") had on 24 November 2011 approved the release of FRSIC 17, which provides guidance on the accounting recognition for the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing (and/or other relevant parties) in the development of affordable housing on involuntary basis and voluntary basis. Development of affordable housing on involuntary basis arose from the requirements imposed by the authorities upon the property developer. The property developer could not avoid or does not have any realistic alternative of avoiding the outflow of resources. This creates a present obligation on the property developer to discharge such requirement to enable the development of premium housing. As such, a provision for the said present obligation with a corresponding asset in the form of common costs for development of premium housing shall be recognised upon the approval of master and building plans.

Prior to the adoption of FRSIC 17, the Group and the Company applied FRS 136 Impairment of Assets to determine whether the land has become impaired. Impairment losses were provided for those lands that are designated for the construction of low and low-medium cost houses that are required by Pejabat Tanah dan Galian Negeri Johor and were recognized in profit or loss.

The Group and the Company has adopted FRSIC 17 and applied this change in accounting policy retrospectively and certain comparatives have been restated. The following are effects to the statement of financial position as at 30 June 2012 and statement of comprehensive income for the financial year ended 30 June 2012 arising from this change in accounting policy:

	Increase/ (decrease) RM'000
Group	
Consolidated statement of financial position	
Land held for property development	69,055
Inventories	380
Property development costs	13,770
Provision for foreseeable losses for affordable housing	123,765
Deferred tax liabilities	(10,920)
Retained earnings	(29,640)
	<hr/>
Consolidated statement of comprehensive income	
Cost of sales	4,729
Income tax expenses	(1,182)
Profit net of tax	(3,547)
	<hr/>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.2 Changes in accounting policies (cont'd)

FRSIC Consensus 17 Development of Affordable Housing ("FRSIC 17") (cont'd)

Company	Increase/ (decrease) RM'000
Statement of financial position	
Land held for property development	63,606
Inventories	120
Property development costs	3,891
Provision for foreseeable losses for affordable housing	76,604
Deferred tax liabilities	(2,472)
Retained earnings	(6,514)
Statement of comprehensive income	
Cost of sales	1,121
Income tax expenses	(280)
Profit net of tax	(841)

The following comparatives have been restated:

Group	As previously stated RM'000	Adjustments RM'000	As restated RM'000
Consolidated statement of financial position			
30 June 2011			
Land held for property development	303,544	70,035	373,579
Inventories	11,896	2,116	14,012
Property development costs	73,130	15,782	88,912
Provision for foreseeable losses for affordable housing	-	123,765	123,765
Deferred tax liabilities	31,141	(9,738)	21,403
Retained earnings	636,917	(26,093)	610,824
Consolidated statement of comprehensive income			
Cost of sales	100,647	3,167	103,814
Administrative expenses	25,780	(3,884)	21,896
Income tax	15,709	(792)	14,917
Profit net of tax	56,480	1,509	57,989



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.2 Changes in accounting policies (cont'd)

FRSIC Consensus 17 Development of Affordable Housing ("FRSIC 17") (cont'd)

Company	As previously stated RM'000	Adjustments RM'000	As restated RM'000
Statement of financial position			
30 June 2011			
Land held for property development	265,793	63,606	329,399
Inventories	1,017	105	1,122
Property development costs	26,326	5,028	31,354
Provision for foreseeable losses for affordable housing	-	76,604	76,604
Deferred tax liabilities	29,915	(2,192)	27,723
Retained earnings	502,449	(5,672)	496,777
	<u> </u>	<u> </u>	<u> </u>
Statement of comprehensive income			
Cost of sales	29,394	1,096	30,490
Administrative expenses	13,851	(3,884)	9,967
Income tax	7,845	(274)	7,571
Profit net of tax	46,024	3,062	49,086
	<u> </u>	<u> </u>	<u> </u>
Group			
Consolidated statement of financial position			
1 July 2010			
Land held for property development	309,822	66,151	375,973
Inventories	27,097	3,623	30,720
Property development costs	99,152	17,443	116,595
Provision for foreseeable losses for affordable housing	-	123,765	123,765
Deferred tax liabilities	32,416	(8,946)	23,470
Retained earnings	591,094	(27,602)	563,492
	<u> </u>	<u> </u>	<u> </u>
Company			
Statement of financial position			
1 July 2010			
Land held for property development	272,695	59,722	332,417
Inventories	8,440	235	8,675
Property development costs	43,492	5,994	49,486
Provision for foreseeable losses for affordable housing	-	76,604	76,604
Deferred tax liabilities	30,539	(1,918)	28,621
Retained earnings	469,247	(8,734)	460,513
	<u> </u>	<u> </u>	<u> </u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.3 Standards and interpretations issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective:

	Effective for annual periods beginning on or after
Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7: Transfers of Financial Assets	1 January 2012
Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets	1 January 2012
FRS 124 Related Party Disclosures	1 January 2012
Amendments to FRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 Employee Benefits	1 January 2013
FRS 127 Separate Financial Statements	1 January 2013
FRS 128 Investment in Associate and Joint Ventures	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 1: Government Loans	1 January 2013
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 10, FRS 11 and FRS 12	1 January 2013
Improvements to FRSs Issued in 2012	1 January 2013
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9 Financial Instruments	1 January 2015

The Directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application, except as disclosed below:

Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets

The amendments clarified the determination of deferred tax on investment property measured at fair value. The amendments introduce a rebuttable presumption that deferred tax on investment property measured using the fair value model in FRS 140 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, they introduce the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in FRS 116 to be always measured on a sale basis of that asset.

Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

The amendments to FRS 101 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or “recycled”) to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendments affect presentation only and have no impact on the Group’s financial position or performance.

FRS 9 Financial Instruments

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The adoption of this first phase of FRS 9 will have an effect on the classification and measurement of the Group’s financial assets but will potentially have no impact on classification and measurements of financial liabilities. The Group is in the process of making an assessment of the impact of adoption of FRS 9.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.3 Standards and interpretations issued but not yet effective (cont'd)

FRS 12 Disclosure of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted. The Group is currently assessing the impact of adoption of FRS 13.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 June 2015. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made retrospectively, against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 30 June 2012 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 30 June 2015.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income. The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.5 Transactions with minority interests

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statements of financial position, separately from parent shareholders' equity. Transactions with minority interests are accounted for using the entity concept method, whereby, transactions with minority interests are accounted for as transactions with owners. On acquisition of minority interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to minority interests is recognised directly in equity.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.6 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group 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 also the Company’s functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group’s net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2.7 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment and furniture and fixtures are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Freehold land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the freehold land and buildings at the reporting date.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.7 Property, plant and equipment and depreciation (cont'd)

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on a straight-line basis over the depreciation rate as follows:

Buildings	2% - 5%
Plant and machinery	10% - 20%
Other assets *	5% - 20%

* Other assets comprise of furniture and fittings, labour quarter, estate development expenditure, temporary club house, house keeping equipment, computer system, air-conditioning system, electrical and fittings, tools and equipment, office equipment and motor vehicles.

Building under refurbishment is not depreciated as it is not yet available for use.

New planting expenditure incurred on land clearing and upkeep of trees to maturity are capitalised under estate development expenditure.

Replanting expenditure represents the total cost incurred from land clearing to the point of harvesting and is expensed to the profit and loss in the year in which it is incurred.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.8 Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.8 Investment properties (cont'd)

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.7 up to the date of change in use.

2.9 Impairment of non-financial assets

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

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

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

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

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

2.10 Subsidiaries

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

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.11 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.11 Financial assets (cont'd)

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

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

(b) Loans and receivables

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

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

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(c) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the two preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.11 Financial assets (cont'd)

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

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

2.12 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

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

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.14 Land held for property development and property development costs

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

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.

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

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

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

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

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in profit or loss is classified as progress billings within trade payables.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for.

Unsold properties are stated at the lower of cost/carrying value or net realisable value. Cost is determined on the specific identification basis and comprises cost associated with the acquisition of land, construction costs and appropriate proportion of development overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs to be incurred in marketing, selling and distribution.

2.16 Provisions

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

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

2.17 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

The Group's and the Company's other financial liabilities include trade and other payables.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.18 Employee benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plans

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

2.19 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(a) Sale of development properties

Revenue from sale of development properties is accounted for by the stage of completion method.

(b) Sale of goods

Revenue relating to sale of goods is recognised net of discounts upon the transfer of risks and rewards. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(c) Rental income

Rental income is recognised on the receivable basis.

(d) Interest income

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

(e) Revenue from services

Revenue from landscaping and maintenance services are recognised when the services are rendered. Revenue from operation of sports, golf and recreation clubs and bowling centre are recognised on the receivable basis.

(f) Dividend Income

Dividend income from subsidiaries is recognised when the right to receive payment is established. Dividend income from other investee companies are recognised on the receipt basis.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.20 Income taxes

(a) Current tax

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

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

(b) Deferred tax

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

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

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the 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 reporting date.

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



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2.20 Income taxes (cont'd)

(b) Deferred tax (cont'd)

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

2.21 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 31, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.22 Share capital and share issuance expenses

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

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

2.23 Treasury shares

When shares of the Company, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Property development

The Group recognises property development revenue and expenses in the statement of comprehensive income by using the stage of completion method. The stage of completion is determined by the proportion that 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 property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of assets and liabilities of the Group arising from property development activities are disclosed in Note 13. A 10% difference in the estimated total property development revenue or costs would result in approximately 8% (2011: 9%) variance in the Group revenue and 8% (2011: 9%) variance in the Group's cost of sales.

(b) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances 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. The total carrying value of recognised tax losses and capital allowances of the Group was RM2,716,000 (2011: RM3,048,000) and the unrecognised tax losses and capital allowances of the Group was RM7,720,000 (2011: RM5,035,000).

(c) Impairment of land held for development and property, plant and equipment

The Group has recognised impairment losses in respect of land held for development and golf course and club house classified under property, plant and equipment. The Group carried out the impairment test by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

In previous financial year, an impairment of RM3,730,000 and RM230,103 for land held for development and property, plant and equipments were recognised in the statement of comprehensive income for the year ended 30 June 2011. Further details of the impairment losses recognised for the property, plant and equipment and land held for development are disclosed in Note 12 and Note 13 respectively.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

4. REVENUE

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Sales of properties	126,175	130,085	29,670	47,119
Rental income	7,191	4,564	-	-
Interest income	682	994	-	-
Sales of building materials	27,389	23,678	-	-
Income from operation of sports, golf and recreation clubs and bowling centre	6,725	6,115	-	-
Dividend income from subsidiaries	-	-	4,800	20,000
Dividend income from other investments	14	4	-	-
Contract works income	1,145	386	-	-
Management fees	720	-	-	-
Others	436	299	-	-
	<u>170,477</u>	<u>166,125</u>	<u>34,470</u>	<u>67,119</u>

5. COST OF SALES

Cost of sales of the Group comprises attributable development expenditures, invoiced value of building materials, food and beverages, and cost incurred in relation to other revenue generating activities.

Cost of sales of the Company comprises attributable development expenditures.

6. PROFIT BEFORE TAX

The following amounts have been included in arriving at profit before tax:

	Group		Company	
	2012 RM'000	2011 (restated) RM'000	2012 RM'000	2011 (restated) RM'000
Auditors' remuneration :				
- Statutory audits	180	185	66	63
- Other services	92	106	28	48
Directors' remuneration (Note 8)	4,052	3,204	2,002	1,363
Depreciation on property, plant and equipment (Note 12)	2,496	2,366	453	383
Loss on disposal of property, plant and equipment	40	79	-	22
Property, plant and equipment written off	1,580	21	167	2
Loss on disposal of investments	-	-	967	-
Investment property written off	-	-	681	-
Deposit written off	1	-	-	-
Provision for retirement benefits	130	130	57	64
Impairment loss on property, plant and equipment	-	230	-	-
Rental expense	-	-	580	580
Employee benefits expense (Note 7)	9,562	7,936	3,370	2,894
Write-down of inventories	24	-	-	-
Net loss on investment securities held for trading	9,625	-	-	1,604
Provision for foreseeable losses for affordable houses	4,729	3,167	1,121	1,096
Loss on redemption of preference shares from a subsidiary	-	-	1,989	-
Provision for diminution in value of investment in subsidiaries	-	-	877	-
	<u>-</u>	<u>-</u>	<u>877</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

6. PROFIT BEFORE TAX (cont'd)

	Group		Company	
	2012	2011 (restated)	2012	2011 (restated)
	RM'000	RM'000	RM'000	RM'000
And crediting :				
Dividend income from investment				
- Quoted in Malaysia	3,913	2,900	3,896	2,893
Gain on disposal of investments	7,649	2,720	-	2,699
Gain on disposal of property, plant and equipment	109	86	41	-
Gain on disposal of investment property	-	631	-	611
Fair value adjustment on investment properties (Note 14)	8,207	8,313	6,637	13,166
Net gain on investment securities held for trading	-	7,447	1,204	-
Interest income	2,034	3,842	903	2,497
Foreign exchange gains - realised	527	-	-	-
Reversal of provision for diminution in value of investment in subsidiaries	-	-	-	845
Rental income	4,213	3,324	4,792	3,617

7. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2012	2011 (restated)	2012	2011 (restated)
	RM'000	RM'000	RM'000	RM'000
Wages and salaries	8,131	6,798	2,796	2,432
Contributions to defined contribution plan	875	752	324	284
Social Security Contributions	90	61	34	16
Other staff related expenses	466	325	216	162
Total staff costs excluding directors' remuneration (Note 6)	9,562	7,936	3,370	2,894



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

8. DIRECTORS' REMUNERATION

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Directors of the Company				
Executive :				
Salaries	1,646	1,202	1,022	610
Bonus and other emoluments	587	344	341	182
Contributions to defined contribution plan	287	184	186	95
Fees	257	201	205	155
Benefits-in-kind	107	90	76	56
	<u>2,884</u>	<u>2,021</u>	<u>1,830</u>	<u>1,098</u>
Non-executive :				
Fees	155	228	155	222
Allowances	93	99	93	99
	<u>248</u>	<u>327</u>	<u>248</u>	<u>321</u>
Directors of subsidiaries				
Salaries	772	703	-	-
Bonus and other emoluments	157	148	-	-
Contributions to defined contribution plan	40	37	-	-
Fees	58	58	-	-
Benefits-in-kind	22	16	-	-
	<u>1,049</u>	<u>962</u>	<u>-</u>	<u>-</u>
Total	<u>4,181</u>	<u>3,310</u>	<u>2,078</u>	<u>1,419</u>
Analysis excluding benefits-in-kind :				
Total executive directors' remuneration	2,777	1,931	1,754	1,042
Total non-executive and other directors' remuneration	1,275	1,273	248	321
Total directors' remuneration excluding benefits-in-kind (Note 7)	<u>4,052</u>	<u>3,204</u>	<u>2,002</u>	<u>1,363</u>

The number of Directors of the Company whose total remuneration during the year fell within the following bands is analysed below :

	Number of Directors	
	2012	2011
Executive Directors :		
RM600,001 - RM650,000	1	1
RM650,001 - RM700,000	1	1
RM700,001 - RM750,000	1	1
RM800,001 - RM850,000	1	-
Non-executive Directors :		
RM 50,001 - RM100,000	1	1
RM100,001 - RM150,000	2	2



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

9. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the years ended 30 June 2012 and 2011 are:

	Group		Company	
	2012	2011 (restated)	2012	2011 (restated)
	RM'000	RM'000	RM'000	RM'000
Current income tax :				
Current year	13,933	16,243	3,053	7,709
Under/(over) provided in prior years	568	(192)	(78)	(173)
	<u>14,501</u>	<u>16,051</u>	<u>2,975</u>	<u>7,536</u>
Deferred income tax (Note 21) :				
Relating to origination and reversal of temporary differences	(1,131)	(1,193)	(298)	43
Deferred taxation on realisation of revaluation surplus	(138)	(112)	-	(107)
(Over)/under provided in prior year	(1,485)	171	(1,818)	99
	<u>(2,754)</u>	<u>(1,134)</u>	<u>(2,116)</u>	<u>35</u>
	<u>11,747</u>	<u>14,917</u>	<u>859</u>	<u>7,571</u>

Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 30 June 2012 and 30 June 2011 are as follows:

	2012	2011 (restated)
Group	RM'000	RM'000
Profit before tax	50,533	72,906
Tax at Malaysian statutory tax rate of 25% (2011 : 25%)	12,633	18,227
Income not subject to taxation	(2,942)	(4,691)
Non-deductible expenses	2,939	808
Effect on reclassification from inventories to property, plant and equipment	-	1,342
Deferred tax assets not recognised during the year	34	12
Utilisation of previously unrecognised tax losses	-	(760)
(Over)/underprovision of deferred income tax in prior year	(1,485)	171
Under/(over)provision of income tax expense in prior years	568	(192)
Income tax expense recognised in profit or loss	<u>11,747</u>	<u>14,917</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

9. INCOME TAX EXPENSE (cont'd)

Company	2012 RM'000	2011 (restated) RM'000
Profit before tax	21,252	56,657
Tax at Malaysian statutory tax rate of 25% (2011 : 25%)	5,313	14,164
Income not subject to taxation	(4,071)	(7,140)
Non-deductible expenses	1,513	621
Overprovision of income tax expense in prior years	(78)	(173)
(Over)/underprovision of deferred income tax in prior years	(1,818)	99
Income tax expense recognised in profit or loss	859	7,571

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2011: 25%) of the estimated assessable profit for the year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdiction.

10. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

	2012	Group 2011 (restated)
Profit for the year (RM'000)	38,786	57,996
Weighted average number of ordinary shares in issue ('000)	210,585	210,589
Basic earnings per share (sen)	18.42	27.54

No diluted earnings per share have been presented as there were no diluted potential ordinary shares outstanding as at 30 June 2012 and 2011.

11. DIVIDENDS

	Dividends in respect of Year			Dividends Recognised in Year	
	2012 RM'000	2011 RM'000	2010 RM'000	2012 RM'000	2011 RM'000
Recognised during the year:					
Final dividend of 10% less income tax of 25% on 210,592,100 ordinary shares (7.50 sen per share)	-	-	15,794	-	15,794
Final dividend of 12% less income tax of 25% on 210,585,100 ordinary shares (9.00 sen per share)	-	18,953	-	18,953	-
Proposed for approval at AGM (not recognised as at 30 June 2012)					
Final dividend of 10% less income tax of 25% on 210,584,800 ordinary shares (7.50 sen per share)	15,794	-	-	-	-
	15,794	18,953	15,794	18,953	15,794



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

11. DIVIDENDS (cont'd)

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 30 June 2012, of 10% less income tax of 25% on 210,584,800 ordinary shares, amounting to a total dividend payable of RM15,793,860 (7.50 sen net per ordinary share) will be proposed for Shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the Shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2013.

12. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings* RM'000	Plant and machinery RM'000	Other assets RM'000	Total RM'000
Cost/Valuation				
At 1 July 2010	117,605	4,736	14,584	136,925
Additions	336	113	2,223	2,672
Disposals	(33)	-	(2,085)	(2,118)
Written off	-	(221)	(616)	(837)
Transfer from property development cost (Note 13 (b))	457	-	-	457
Revaluation surplus	6,149	-	-	6,149
At 30 June 2011 and 1 July 2011	124,514	4,628	14,106	143,248
Additions	49,361	200	6,958	56,519
Transfer from property development cost (Note 13 (b))	6,911	-	-	6,911
Disposals	(4)	(196)	(1,497)	(1,697)
Written off	(1,623)	(65)	(1,475)	(3,163)
At 30 June 2012	179,159	4,567	18,092	201,818
Representing :				
At cost	64,909	4,567	18,092	87,568
At valuation	114,250	-	-	114,250
At 30 June 2012	179,159	4,567	18,092	201,818
Accumulated depreciation and impairment loss				
At 1 July 2010	6,800	3,169	10,542	20,511
Charge for the year (Note 6)	1,117	344	905	2,366
Impairment loss recognised in profit or loss (Note 6)	230	-	-	230
Disposals	(5)	-	(1,479)	(1,484)
Written off	-	(205)	(611)	(816)
At 30 June 2011 and 1 July 2011	8,142	3,308	9,357	20,807
Charge for the year (Note 6)	1,158	338	1,000	2,496
Disposals	-	(52)	(692)	(744)
Written off	(334)	(54)	(1,195)	(1,583)
At 30 June 2012	8,966	3,540	8,470	20,976
Net carrying amount				
At cost	6,423	1,320	4,749	12,492
At valuation	109,949	-	-	109,949
At 30 June 2011	116,372	1,320	4,749	122,441
At cost	61,525	1,027	9,622	72,174
At valuation	108,668	-	-	108,668
At 30 June 2012	170,193	1,027	9,622	180,842



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

* Land and buildings

Group	Freehold land and buildings RM'000	Hotel land and buildings RM'000	Golf course RM'000	Club house RM'000	Swimming pool RM'000	Bowling centre RM'000	Sports complex and equipment RM'000	Total RM'000
Cost/Valuation								
At 1 July 2010	43,333	-	32,265	16,031	941	12,611	12,424	117,605
Addition	1	-	-	-	-	-	335	336
Disposals	(33)	-	-	-	-	-	-	(33)
Transfer from property development cost (Note 13(b))	457	-	-	-	-	-	-	457
Revaluation surplus	5,476	-	-	-	-	193	480	6,149
At 30 June 2011 and 1 July 2011	49,234	-	32,265	16,031	941	12,804	13,239	124,514
Addition	71	49,058	-	-	-	-	232	49,361
Transfer from property development cost (Note 13(b))	-	-	-	-	-	-	6,911	6,911
Disposals	(4)	-	-	-	-	-	-	(4)
Written off	-	-	-	-	(941)	-	(682)	(1,623)
At 30 June 2012	49,301	49,058	32,265	16,031	-	12,804	19,700	179,159
Representing:								
At cost	827	49,058	8	-	-	5,654	9,362	64,909
At valuation	48,474	-	32,257	16,031	-	7,150	10,338	114,250
	49,301	49,058	32,265	16,031	-	12,804	19,700	179,159
Accumulated depreciation and impairment loss								
At 1 July 2010	9	-	980	444	208	2,617	2,542	6,800
Charge for the year (Note 6)	6	-	245	111	19	379	357	1,117
Impairment loss recognised in profit or loss (Note 6)	-	-	202	28	-	-	-	230
Disposals	(5)	-	-	-	-	-	-	(5)
At 30 June 2011 and 1 July 2011	10	-	1,427	583	227	2,996	2,899	8,142
Charge for the year	8	-	243	108	8	383	408	1,158
Written off	-	-	-	-	(235)	-	(99)	(334)
At 30 June 2012	18	-	1,670	691	-	3,379	3,208	8,966



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

* Land and buildings

Group	Freehold land and buildings RM'000	Hotel land and buildings RM'000	Golf course RM'000	Club house RM'000	Swimming pool RM'000	Bowling centre RM'000	Sports complex and equipment RM'000	Total RM'000
Net carrying amount								
At cost	292	-	-	-	714	3,077	2,340	6,423
At valuation	48,932	-	30,838	15,448	-	6,731	8,000	109,949
At 30 June 2011	49,224	-	30,838	15,448	714	9,808	10,340	116,372
At cost	351	49,058	-	-	-	2,840	9,276	61,525
At valuation	48,932	-	30,595	15,340	-	6,585	7,216	108,668
At 30 June 2012	49,283	49,058	30,595	15,340	-	9,425	16,492	170,193



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company	Plant and machinery RM'000	Other assets RM'000	Total RM'000
At 30 June 2012			
Cost			
At 1 July 2010	1	4,677	4,678
Additions	-	633	633
Disposal	-	(559)	(559)
Written off	-	(58)	(58)
At 30 June 2011 and 1 July 2011	1	4,693	4,694
Additions	147	4,784	4,931
Disposal	-	(551)	(551)
Written off	-	(1,095)	(1,095)
At 30 June 2012	148	7,831	7,979
Accumulated depreciation			
At 1 July 2010	1	2,947	2,948
Charge for the year (Note 6)	-	383	383
Disposal	-	(407)	(407)
Written off	-	(56)	(56)
At 30 June 2011 and 1 July 2011	1	2,867	2,868
Charge for the year (Note 6)	2	451	453
Disposal	-	(402)	(402)
Written off	-	(928)	(928)
At 30 June 2012	3	1,988	1,991
Net carrying amount			
At 30 June 2011	-	1,826	1,826
At 30 June 2012	145	5,843	5,988



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

- (a) Freehold land and buildings of the Group were revalued on 30 June 2011 by Henry Butcher Malaysia (Johor) Sdn. Bhd., an independent professional valuer. Fair value is determined by reference to open market value basis.

If the freehold land and buildings were measured using the cost model, the carrying amounts would be as follows:

	Group	
	2012	2011
	RM'000	RM'000
Freehold land at 30 June:		
- Cost and net carrying amount	28,656	18,591
Building at 30 June:		
- Cost	76,745	31,554
- Accumulated depreciation and impairment loss	(4,981)	(4,185)
Net carrying amount	71,764	27,369

- (b) Included in property, plant and equipment of the Group and the Company are cost of fully depreciated assets which are still in use amounting to RM7,488,000 (2011 : RM8,237,000) and RM749,000 (2011 : RM1,474,000) respectively.
- (c) Net carrying amount of certain motor vehicles that are registered in the name of Directors and held in trust either for the Group or the Company amounted to RM2,361,000 (2011 : RM857,000) and RM1,545,000 (2011 : RM494,000) respectively.
- (d) In previous financial year, a subsidiary within leisure and recreation segment carried out a review of the recoverable amount of its golf-course and club house. An impairment loss of RM230,103, representing the write-down of the golf course and club house to the recoverable amount was recognised in "other expenses" line item of the statement of comprehensive income for the year ended 30 June 2011. The recoverable amount of golf-course and club house was based on an independent professional valuation carried out by Henry Butcher Malaysia (Johor) Sdn. Bhd. using the open market value basis.

At 30 June 2012, had the golf course and club house been carried at historical cost less accumulated depreciation and impairment loss, the carrying amount would have been RM15,434,691 (2011 : RM15,786,000).

- (e) No depreciation being charged for hotel land and building as it is under refurbishment and is not yet available for use.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

13. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

(a) Land held for property development

Group	Freehold Land RM'000	Development Expenditure RM'000	Total RM'000
At 30 June 2012 :			
At 1 July 2011	255,385	118,194	373,579
Additions	-	6,311	6,311
Transfer to property development costs (Note 13(b))	(2,089)	(4,752)	(6,841)
At 30 June 2012	<u>253,296</u>	<u>119,753</u>	<u>373,049</u>
Carrying amount as at 30 June 2012 consisting of :			
At cost	39,501	119,753	159,254
At revalued amount	<u>213,795</u>	-	<u>213,795</u>
	<u>253,296</u>	<u>119,753</u>	<u>373,049</u>
At 30 June 2011 :			
At 1 July 2010	256,680	53,142	309,822
Effects of adopting FRSIC Consensus 17	-	66,151	66,151
At 1 July 2010 (restated)	<u>256,680</u>	<u>119,293</u>	<u>375,973</u>
Additions	-	1,272	1,272
Transfer from property development costs (Note 13(b))	25	39	64
Impairment losses for the year recognised in other comprehensive income	(1,320)	(2,410)	(3,730)
At 30 June 2011	<u>255,385</u>	<u>118,194</u>	<u>373,579</u>
Carrying amount as at 30 June 2011 consisting of :			
At cost	35,456	118,194	153,650
At revalued amount	<u>219,929</u>	-	<u>219,929</u>
	<u>255,385</u>	<u>118,194</u>	<u>373,579</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

13. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (cont'd)

(a) Land held for property development (cont'd)

Company	Freehold Land RM'000	Development Expenditure RM'000	Total RM'000
At 30 June 2012 :			
At 1 July 2011	234,528	94,871	329,399
Additions	-	6,762	6,762
At 30 June 2012	<u>234,528</u>	<u>101,633</u>	<u>336,161</u>
Carrying amount as at 30 June 2012 consisting of :			
At cost	23,117	101,633	124,750
At revalued amount	<u>211,411</u>	-	<u>211,411</u>
	<u>234,528</u>	<u>101,633</u>	<u>336,161</u>
At 30 June 2011 :			
At 1 July 2010	235,848	36,847	272,695
Effects of adopting FRSIC Consensus 17	-	59,722	59,722
At 1 July 2010 (restated)	<u>235,848</u>	<u>96,569</u>	<u>332,417</u>
Additions	-	712	712
Impairment losses for the year recognised in other comprehensive income	<u>(1,320)</u>	<u>(2,410)</u>	<u>(3,730)</u>
At 30 June 2011	<u>234,528</u>	<u>94,871</u>	<u>329,399</u>
Carrying amount as at 30 June 2011 consisting of :			
At cost	23,117	94,871	117,988
At revalued amount	<u>211,411</u>	-	<u>211,411</u>
	<u>234,528</u>	<u>94,871</u>	<u>329,399</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

13. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (cont'd)

(b) Property development costs

	Group		Company	
	2012	2011	2012	2011
	RM'000	(restated) RM'000	RM'000	(restated) RM'000
At 1 July :				
Freehold land, at cost	35,712	36,131	5,684	5,764
Freehold land, at valuation	10,754	10,754	4,982	4,982
Total freehold land	46,466	46,885	10,666	10,746
Development costs	250,894	195,983	86,542	74,475
Effects of adopting FRSIC Consensus 17	-	12,907	-	6,242
	297,360	255,775	97,208	91,463
Cost incurred during the year :				
Development costs	69,357	56,235	18,107	19,487
Costs recognised in profit or loss :				
At 1 July	(208,693)	(142,630)	(65,854)	(41,730)
Effects of adopting FRSIC Consensus 17	-	(248)	-	(248)
At 1 July (restated)	(208,693)	(142,878)	(65,854)	(41,978)
Recognised during the year	(64,992)	(65,815)	(18,480)	(23,876)
At 30 June	(273,685)	(208,693)	(84,334)	(65,854)
Transfers :				
To investment properties (Note 14)	(234)	(13,321)	(236)	(13,742)
To property, plant and equipment (Note 12)	(6,911)	(457)	-	-
From/(to) land held for property development (Note 13(a))	6,841	(64)	-	-
To inventories	(2,381)	(563)	(2,381)	-
	(2,685)	(14,405)	(2,617)	(13,742)
Provision for anticipated loss :				
At 1 July	-	(4,784)	-	-
Effects of adopting FRSIC Consensus 17	-	4,784	-	-
At 1 July (restated)	-	-	-	-
	90,347	88,912	28,364	31,354
Carrying amount as at 30 June consisting of :				
At cost	80,540	79,105	23,032	26,022
At revalued amount	9,807	9,807	5,332	5,332
	90,347	88,912	28,364	31,354



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

13. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (cont'd)

Included in land stated at valuation of the Group is a piece of land which was revalued by a subsidiary, prior to its acquisition by the Company, based on independent professional valuation in financial year 1994 using the open market value basis. The Company acquired the subsidiary in financial year 1995.

The land of the Company stated at valuation was transferred from property, plant and equipment in financial year 2004. The Directors revalued the land then when it was held under property, plant and equipment based on an independent professional valuation as at 30 June 2001 using the open market value basis.

The land stated at valuation was not updated since then which is consistent with the Group's policy of not revaluing its land held for property development. In previous financial year, the Group carried out a review of the recoverable amount of its low-cost land. An impairment loss of RM3,730,000 representing the write-down of the land held for development to the recoverable amount was recognised in the statement of comprehensive income for the year ended 30 June 2011. The recoverable amount of low cost land was based on an independent professional valuation carried out by Henry Butcher Malaysia (Johor) Sdn. Bhd. using the open market value basis.

14. INVESTMENT PROPERTIES

(a) Non-current asset

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
At 1 July	189,957	167,876	147,074	120,467
Transfer from property development costs (Note 13 (b))	234	13,321	236	13,742
Disposal	-	(731)	-	(666)
Written off	-	-	(681)	-
Additions from acquisition	58,253	1,178	158	365
Additions from subsequent expenditure	2,574	-	-	-
Fair value adjustment (Note 6)	8,207	8,313	6,637	13,166
Investment property reclassified to held for sale	(1,808)	-	-	-
At 30 June	<u>257,417</u>	<u>189,957</u>	<u>153,424</u>	<u>147,074</u>

Investment property held under lease term:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Leasehold land	<u>912</u>	<u>912</u>	<u>912</u>	<u>912</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

14. INVESTMENT PROPERTIES (cont'd)

(b) Investment property held for sale

On 15 June 2012, a wholly-owned subsidiary, Atlantic Dynamic Sdn Bhd has entered into a sale and purchase agreement for the sale of a petrol kiosk land for a consideration of RM1,808,001.

As of the date of this report, the above disposal has yet to be completed.

The investment property held for sale as at 30 June 2012 is presented as follows :

	Group		
	Carrying amount immediately before classification RM'000	Allocation of re-measurement RM'000	Carrying amount as at 30.6.2012 RM'000
Assets			
Investment property held for sale	1,180	628	1,808

15. SUBSIDIARIES

	Company	
	2012 RM'000	2011 RM'000
Investment in subsidiaries:		
Unquoted shares, at cost	170,068	138,529
Less: Accumulated impairment loss	(4,203)	(3,326)
	<u>165,865</u>	<u>135,203</u>
Amount due from subsidiaries	<u>130,449</u>	<u>63,382</u>
Amount due to subsidiaries	<u>21,957</u>	<u>8,144</u>

The amounts due from/to subsidiaries are unsecured, interest-free and not expected to be repayable within the next twelve months.

Details of the subsidiaries are as follow :

Name of Subsidiaries	Equity Interest Held		Principal Activity	Country of Incorporation
	2012	2011		
Atlantic Dynamics Sdn. Bhd.	100%	100%	Property development	Malaysia
Chye Seng Development Sdn. Bhd.	100%	100%	Property development	Malaysia
Lembaran Murni Sdn. Bhd.	100%	100%	Property development	Malaysia
Mahseng Developments Sdn. Bhd.	100%	100%	Property development	Malaysia
Daiman Properties Sdn. Bhd.	100%	100%	Property investment	Malaysia
Daiman Trading Sdn. Bhd.	100%	100%	Sale of building materials	Malaysia



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

15. SUBSIDIARIES (cont'd)

Name of Subsidiaries	Equity Interest Held		Principal Activity	Country of Incorporation
	2012	2011		
Daiman Bowl Sdn. Bhd.	100%	100%	Operation of bowling centre	Malaysia
Daiman Golf Berhad	100%	100%	Operation of golf and recreation club	Malaysia
Daiman Johor Jaya Sports Complex Berhad	100%	100%	Operation of sports and recreation club	Malaysia
Daiman Horticulture & Nursery Sdn. Bhd.	100%	100%	Ceased operation	Malaysia
Daman Impian Sdn. Bhd.	100%	100%	Investment holding and property development	Malaysia
Daiman Hospitality Management Sdn. Bhd.	100%	100%	Hotel operation	Malaysia
Daiman Landmark Hotel Sdn. Bhd.	100%	-	Hotel operation	Malaysia
Daiman Landmark Property Management Sdn. Bhd.	100%	-	Property management	Malaysia
Evotherm International Ltd.	100%	100%	Investment holding	British Virgin Islands
<i>Held through Evotherm International Ltd.</i> Caversham Universal Limited	-	100%	Winding up	British Virgin Islands

(a) Acquisition of a new subsidiary - Daiman Landmark Property Management Sdn. Bhd. ("DLPMSB")

On 21 September 2011, the Company acquired 100% equity interest in DLPMSB and DLPMSB became a subsidiary of the Company. DLPMSB's principal activity is property management. As at the reporting date, DLPMSB has commenced its operation. The acquisition of this subsidiary does not have any material effect on the earnings, net tangible assets or substantial shareholdings of the Group and of the Company.

(b) Acquisition of a new subsidiary - Daiman Landmark Hotel Sdn. Bhd. ("DLHSB")

On 23 September 2011, the Company acquired 100% equity interest in DLHSB and DLHSB became a subsidiary of the Company. DLHSB's principal activity is hotel operation. As at the reporting date, DLHSB has not commenced any operation. The acquisition of this subsidiary does not have any material effect on the earnings, net tangible assets or substantial shareholdings of the Group and of the Company.

(c) Winding-up of Caversham Universal Limited ("CUL")

CUL, a wholly-owned subsidiary company of Evotherm International Ltd, which in turn a wholly-owned subsidiary of the Company has ceased its operation on 29 July 2011. On 29 March 2012, CUL has appointed Mr Hadley J. Chilton of Baker Tilly (BVI) Limited as the Liquidator for the purpose of the members' voluntary winding-up.

On 30 May 2012, the winding up proceedings were fully completed. The winding up of CUL does not have any material effect on the earnings, net tangible assets or substantial shareholdings of the Group and of the Company.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

16. OTHER INVESTMENTS

(a) Available-for-sale

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Trust Capital	27,913	7,895	27,913	7,895
At market value : Trust Capital	27,913	7,895	27,913	7,895

(b) Held for trading

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Short term investment:				
Quoted shares	729	1,598	729	1,598
Managed fund	60,071	137,499	59,960	127,549
Portfolio investment *	3,262	78,585	-	-
	64,062	217,682	60,689	129,147
At market value :				
Quoted shares	729	1,598	729	1,598
Managed fund	60,071	137,499	59,960	127,549
Portfolio investment *	3,262	78,585	-	-
	64,062	217,682	60,689	129,147

* The portfolio investments are managed by foreign financial institutions. On disposing of a particular investment, funds are released for reinvestment or may be retained as cash within the portfolio.

17. INVENTORIES

	Group		Company	
	2012 RM'000	2011 (restated) RM'000	2012 RM'000	2011 (restated) RM'000
At cost :				
Completed houses	3,035	1,793	2,668	1,106
Completed industrial land and buildings	1,895	11,904	-	-
Raw materials	66	94	-	-
Consumables	192	205	-	-
At net realisable value :				
Completed houses	16	16	16	16
	5,204	14,012	2,684	1,122



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

18. RECEIVABLES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Trade receivables				
Third parties	30,789	21,615	5,024	3,021
Accrued billings in respect of property development costs	21,702	24,853	6,577	10,471
	<u>52,491</u>	<u>46,468</u>	<u>11,601</u>	<u>13,492</u>
Other receivables				
Third parties	9,336	3,261	1,338	1,864
Less: Allowance for impairment	(338)	(393)	(338)	(393)
	<u>8,998</u>	<u>2,868</u>	<u>1,000</u>	<u>1,471</u>
Total trade and other receivables	61,489	49,336	12,601	14,963
Add: Cash and bank balances (Note 19)	119,421	97,454	35,456	84,087
Add: Amount owing from subsidiaries (Note 15)	-	-	130,449	63,382
Total loans and receivables	<u>180,910</u>	<u>146,790</u>	<u>178,506</u>	<u>162,432</u>

Trade receivables

Trade receivables are non-interest bearing and are generally on 14 to 90 day (2011: 14 to 90 day) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Neither past due nor impaired	18,321	17,956	3,839	1,870
1 to 30 days past due not impaired	5,544	2,094	382	495
31 to 60 days past due not impaired	6,180	740	622	23
61 to 90 days past due not impaired	257	331	173	146
91 to 120 days past due not impaired	161	153	2	153
More than 121 days past due not impaired	326	341	6	334
	<u>12,468</u>	<u>3,659</u>	<u>1,185</u>	<u>1,151</u>
	<u>30,789</u>	<u>21,615</u>	<u>5,024</u>	<u>3,021</u>

Receivables that are neither past due nor impaired

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group and the Company has trade receivables amounting to RM12,468,000 (2011: RM3,659,000) and RM1,185,000 (2011: RM1,151,000) respectively that are past due at the reporting date but not impaired.

The trade receivables that are past due but not impaired are unsecured in nature.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

19. CASH AND CASH EQUIVALENTS

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Restricted bank balances	5,751	3,273	4,310	2,006
Other cash and bank balances	1,783	12,286	305	6,639
Cash in hand and at banks	7,534	15,559	4,615	8,645
Deposits with :				
- Licensed banks	34,993	80,176	30,841	75,442
- Foreign financial institutions	76,894	1,719	-	-
	119,421	97,454	35,456	84,087

The restricted bank balances represent monies held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and sinking fund held by a commercial bank and therefore are restricted from use in other operations.

Deposits of the Group and of the Company amounting to RM2,455,000 (2011 : RM2,428,000) and RM2,196,000 (2011 : RM2,176,000) respectively, are pledged to banks for bank guarantee facilities.

Included in deposits of the Company is RM500,000 (2011 : RM500,000) pledged to a licensed bank for bank guarantee facilities granted to a subsidiary.

The interest rates of deposits at the reporting date were ranged as follows :

	Group		Company	
	2012 %	2011 %	2012 %	2011 %
Deposits with licensed banks	2.92 to 3.18	2.80 to 3.22	2.92 to 3.15	2.80 to 3.22
Deposits with foreign financial institutions	0.15	0.15	-	-

The maturity days of deposits as at the end of the financial year were ranged as follows :

	Group		Company	
	2012 Days	2011 Days	2012 Days	2011 Days
Deposits with licensed banks	3 to 366	1 to 365	7 to 366	1 to 365
Deposits with foreign financial institutions	23	13 to 35	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

20. PAYABLES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current liabilities				
Trade payables	24,225	20,103	7,134	4,212
Other payables	8,941	5,581	2,580	1,425
Total trade and other payables (current)	<u>33,166</u>	<u>25,684</u>	<u>9,714</u>	<u>5,637</u>
Non-current liabilities				
Amount owing to subsidiaries (Note 15)	-	-	21,957	8,144
Provision for foreseeable losses for affordable houses	123,765	123,765	76,604	76,604
Retirement benefits obligation	898	977	434	338
Total trade and other payables (non-current)	<u>124,663</u>	<u>124,742</u>	<u>98,995</u>	<u>85,086</u>
Total financial liabilities carried at amortised cost	<u>157,829</u>	<u>150,426</u>	<u>108,709</u>	<u>90,723</u>

(a) Trade payables

The normal trade credit terms granted to the Group range from 7 to 150 days.

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 30 days (2011: average term of 30 days).

(c) Provision for foreseeable losses for affordable houses

The provision represents the present obligation for construction of low and low-medium cost houses that are required by Pejabat Tanah dan Galian Negeri Johor. The construction is not expected to be launched within the next twelve months.

21. DEFERRED TAXATION

	Group		Company	
	2012 RM'000	2011 (restated) RM'000	2012 RM'000	2011 (restated) RM'000
At 1 July	21,403	32,416	27,723	30,539
Effects of adopting FRSIC Consensus 17	-	(8,946)	-	(1,918)
At 1 July (restated)	21,403	23,470	27,723	28,621
Recognised in the profit or loss (Note 9)	(2,754)	(1,134)	(2,116)	35
Recognised directly in equity	-	(933)	-	(933)
At 30 June	<u>18,649</u>	<u>21,403</u>	<u>25,607</u>	<u>27,723</u>
Presented after appropriate offsetting as follows :				
Deferred tax assets	(11,822)	(10,739)	(2,573)	(2,314)
Deferred tax liabilities	30,471	32,142	28,180	30,037
	<u>18,649</u>	<u>21,403</u>	<u>25,607</u>	<u>27,723</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

21. DEFERRED TAXATION (cont'd)

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 :

	Revaluation of land and buildings RM'000	Others RM'000	Total RM'000
At 1 July 2011	30,528	1,614	32,142
Recognised in the profit or loss (Note 9)	(1,602)	(69)	(1,671)
At 30 June 2012	28,926	1,545	30,471
At 1 July 2010	31,645	1,336	32,981
Recognised in the profit or loss (Note 9)	(184)	278	94
Recognised directly in equity	(933)	-	(933)
At 30 June 2011	30,528	1,614	32,142

Deferred tax assets of the Group :

	Provision RM'000	Retirement benefit obligation RM'000	Unutilised capital allowances and unutilised tax losses RM'000	Impairment losses RM'000	Total RM'000
At 1 July 2011	(9,738)	(231)	(762)	(8)	(10,739)
Recognised in the profit or loss (Note 9)	(1,182)	16	83	-	(1,083)
At 30 June 2012	(10,920)	(215)	(679)	(8)	(11,822)
At 1 July 2010	-	(428)	(129)	(8)	(565)
Effects of adopting FRSIC Consensus 17	(8,946)	-	-	-	(8,946)
At 1 July 2010 (restated)	(8,946)	(428)	(129)	(8)	(9,511)
Recognised in the profit or loss (Note 9)	(792)	197	(633)	-	(1,228)
At 30 June 2011	(9,738)	(231)	(762)	(8)	(10,739)

Deferred tax liabilities of the Company :

	Revaluation of land and buildings RM'000	Accelerated capital allowances RM'000	Total RM'000
At 1 July 2011	29,781	256	30,037
Recognised in the profit or loss (Note 9)	(1,824)	(33)	(1,857)
At 30 June 2012	27,957	223	28,180
At 1 July 2010	30,800	97	30,897
Recognised in the profit or loss (Note 9)	(86)	159	73
Recognised directly in equity	(933)	-	(933)
At 30 June 2011	29,781	256	30,037



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

21. DEFERRED TAXATION (cont'd)

Deferred tax assets of the Company :

	Provision RM'000	Retirement benefit obligation RM'000	Unutilised capital allowances RM'000	Total RM'000
At 1 July 2011	(2,192)	(91)	(31)	(2,314)
Recognised in the profit or loss (Note 9)	(280)	(8)	29	(259)
At 30 June 2012	(2,472)	(99)	(2)	(2,573)
At 1 July 2010	-	(327)	(31)	(358)
Effects of adopting FRSIC Consensus 17	(1,918)	-	-	(1,918)
At 1 July 2010 (restated)	(1,918)	(327)	(31)	(2,276)
Recognised in the profit or loss (Note 9)	(274)	236	-	(38)
At 30 June 2011	(2,192)	(91)	(31)	(2,314)

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

	Group	
	2012 RM'000	2011 RM'000
Unused tax losses	3,760	1,075
Unutilised capital allowances	3,960	3,960
	<u>7,720</u>	<u>5,035</u>

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of other subsidiaries in the Group and they have arisen in subsidiaries that have a recent history of losses.

The availability of the unused tax losses and unutilised capital allowances for offsetting against future taxable profits of the respective subsidiaries are subject to the provisions of the Income Tax Act, 1967.

22. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of Ordinary Shares of RM1 Each		Amount		
	Share Capital (Issued and Fully Paid) '000	Treasury Share '000	Share Capital (Issued and Fully Paid) RM'000	Total Share Capital and Share Premium RM'000	Treasury Shares RM'000
At 1 July 2010	212,192	1,600	212,192	212,192	(2,455)
Purchase of treasury shares	-	6	-	-	(11)
At 30 June 2011	212,192	1,606	212,192	212,192	(2,466)
Purchase of treasury shares	-	1	-	-	(2)
At 30 June 2012	212,192	1,607	212,192	212,192	(2,468)



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

22. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (cont'd)

	Number of Ordinary Shares of RM1 Each		Amount	
	2012 '000	2011 '000	2012 RM'000	2011 RM'000
Authorised :				
At 1 July/30 June	500,000	500,000	500,000	500,000

(a) Share capital

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

(b) Treasury Shares

The Shareholders of the Company, by a special resolution passed in a general meeting held on 24 November 2011, renewed their approval for the Company's plan to repurchase its own ordinary shares. The Directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company repurchased 1,300 (2011 : 6,000) of its issued and fully paid ordinary shares from the open market at an average price of RM1.97 (2011 : RM1.84) per share. The total consideration paid for the repurchase including transaction costs was RM2,557 (2011 : RM11,038). The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

Of the total 212,191,700 (2011 : 212,191,700) issued and fully paid ordinary shares as at 30 June 2012, 1,606,900 (2011 : 1,605,600) are held as treasury shares by the Company. As at 30 June 2012, the number of outstanding ordinary shares in issue and fully paid less treasury shares held is 210,584,800 (2011 : 210,586,100) ordinary shares of RM1 each.

The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. The Company may distribute the treasury shares in the market in accordance with the Rules of Bursa Malaysia Securities Berhad or cancel the shares in accordance with Section 67A of the Companies Act, 1965.

23. RESERVES

	Group		Company	
	2012 RM'000	2011 (restated) RM'000	2012 RM'000	2011 (restated) RM'000
Non-distributable :				
Treasury shares	(2,468)	(2,466)	(2,468)	(2,466)
Revaluation reserve	119,739	120,119	60,834	61,214
Foreign exchange reserve	(3,837)	(10,566)	-	-
Fair value adjustment reserve	(1,088)	(508)	(1,088)	(508)
Capital redemption reserve	23,064	23,064	23,064	23,064
	135,410	129,643	80,342	81,304
Distributable :				
Retained earnings	630,558	610,824	498,597	496,777
	765,968	740,467	578,939	578,081



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

23. RESERVES (cont'd)

The movements in the reserves are shown in the Statements of Changes in Equity.

The nature and purpose of each category of reserve are as follows :

(a) Treasury Shares

This represents acquisition cost of the Company's own ordinary shares net of the proceeds received on subsequent sale or issuance.

(b) Revaluation Reserve

This non-distributable reserve includes the cumulative net change, net of deferred tax effects, arising from the revaluation of leasehold/freehold land and buildings above their cost.

(c) Foreign Exchange Reserve

The foreign exchange reserve comprises of all foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(d) Retained Earnings

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the 108 balance as at 30 June 2012 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007.

As at 30 June 2012, the Company has tax exempt profits available for distribution of approximately RM12,339,000 (2011 : RM12,339,000), subject to the agreement of the Inland Revenue Board.

As at 30 June 2012, the Company has sufficient tax credit under 108 balance to frank the payment of dividends amounting to RM315,847,000 (2011 : RM334,800,000) out of its retained earnings. If the balance of the retained earnings of RM182,750,000 (2011 : RM161,977,000) were to be distributed as dividend, the Company may distribute such dividends under the single tier system.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

24. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) In addition to the transaction detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial year:

<u>Company</u>	2012 RM'000	2011 RM'000
With subsidiaries :		
Dividend income	4,800	20,000
Insurance premium paid	110	106
Landscaping services charges	54	76
Rental expense	580	580
Rental income	1,201	1,235
Operating expenses	6	9
Management fees	2,525	2,964
Purchase of property, plant and equipment	328	-
Purchase of materials	48	1
	<u>48</u>	<u>1</u>

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows :

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Short term employee benefits	3,255	2,496	1,456	891
Post - Employment benefits:				
Defined contribution plan	327	221	186	95
	<u>3,582</u>	<u>2,717</u>	<u>1,642</u>	<u>986</u>

Included in the total key management personnel are:

	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Directors' remuneration	<u>3,582</u>	<u>2,717</u>	<u>1,642</u>	<u>986</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

25. COMMITMENTS

(a) Capital Commitments

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Approved and contracted for acquisition of:				
Property, plant and equipment	62,835	-	-	-
Other investment - capital trust	2,967	24,031	2,967	24,031
	<u>65,802</u>	<u>24,031</u>	<u>2,967</u>	<u>24,031</u>
Approved but not contracted for				
Property, plant and equipment	69,045	-	-	-
	<u>69,045</u>	<u>-</u>	<u>-</u>	<u>-</u>

(b) Operating lease commitments - as lessor

The Group has entered into non-cancellable operating leases arrangement on its investment property portfolio. The leases have remaining non-cancellable lease term of 6 to 17 months (2011 : 18 to 27 months). The lease include a clause to enable upward revision of rental charge upon renewal of tenancy agreement.

The future minimum lease payments receivable under non-cancellable operating lease contracted for as at the reporting date but not recognised as receivables, are as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Not later than 1 year	1,713	2,428	870	870
Later than 1 year and not later than 3 years	317	1,941	260	1,130
	<u>2,030</u>	<u>4,369</u>	<u>1,130</u>	<u>2,000</u>

(c) Operating lease commitments - as lessee

The Company has entered into non-cancellable operating lease arrangement with its subsidiary to lease level 32 and 33 of Menara Landmark. The lease has a tenure of 3 years with an option to renew for another 3 years.

Future minimum rental payables under non-cancellable operating lease at the reporting date are as follows :

	Company	
	2012 RM'000	2011 RM'000
Not later than 1 year	749	-
Later than 1 year but not later than 3 years	1,248	-
	<u>1,997</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

26. SIGNIFICANT EVENTS

- (a) On 11 August 2011, a wholly-owned subsidiary of the Company, Daiman Properties Sdn. Bhd. ("DPSB") succeeded in a bid to purchase a property under a proclamation of sale. The property comprises land and a building with an unsold building portion comprising of 171,097 square feet of retail complex, 163,339 square feet of office tower, a carpark area comprising 673 parking bays for cars and 471 parking bays for motorcycles (estimated built-up area of 290,170 square feet) and all the common facilities and area comprised therein in the building known as Menara Landmark, Johor Bahru for a purchase consideration of RM55,000,000.
- (b) On 15 August 2011, DPSB entered into a conditional sale and purchase agreement for the acquisition of all that hotel tower with a gross floor area of approximately 358,778 square feet which forms part of the commercial project known as Menara Landmark, Johor Bahru for a purchase consideration of RM45,000,000. Subsequently, DPSB nominated Daiman Landmark Hotel Sdn Bhd as the transferee of the said property and the Deed of Assignment was completed between Glory Debut Sdn Bhd and Daiman Landmark Hotel Sdn Bhd on 11 November 2011.

Both of the acquisitions above have been completed during the financial year.

- (c) On 11 June 2012, a wholly-owned subsidiary of the Company, Daman Impian Sdn. Bhd. entered into a conditional sale and purchase agreement for the acquisition of a freehold land held under HS(D) 375296 PTD 113308 to HS(D) 375423 PTD 113435 with a nett area of 85.848 acres being part of the gross area of 146.394 acres and another parcel of freehold land measuring an area of 93.64 acres held under HS(D) 485010 PTD 153883, all situated in Mukim of Tebrau, District of Johor Bahru, Johor for a purchase consideration of RM64,463,280.

During the financial year, a 10% deposits had been paid by DISB and as at the date of this report, this acquisition has yet to be completed.

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

- (a) **Financial instruments that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value**

Company	Carrying amount		Fair value	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Financial assets:				
Amount owing from subsidiaries (Note 15)				
- without fixed terms of repayment	130,449	63,382	*	*
Financial liabilities:				
Amount owing to subsidiaries (Note 15)				
- without fixed terms of repayment	21,957	8,144	*	*

- * The amount owing from/(to) subsidiaries which have no fixed terms of repayment and are repayable only when the cash flows of the borrowers permit. Accordingly, the fair values of these balances are not determinable as the timing of the future cash flows arising from the balances cannot be estimated reliably.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

27. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd)

(b) Determination of fair values

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Receivables (current)	18
Payables (current)	20

The fair values of other investments are determined directly by reference to their published market bid price at the reporting date.

The carrying amounts of the other financial assets and liabilities are reasonable approximation of their fair values due to their relatively short maturity periods.

(c) Fair value of financial instruments that are carried at fair value

Fair value hierarchy

The Group and the Company classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

At 30 June 2012	Total	Level 1	Level 2	Level 3
Group	RM'000	RM'000	RM'000	RM'000
Assets				
Available for sale				
Trust capital	27,913	-	-	27,913
Financial assets held for trading				
-Equity instruments (quoted in Malaysia)	729	729	-	-
-Managed Fund	60,071	60,071	-	-
-Portfolio investments	3,262	3,262	-	-
	91,975	64,062	-	27,913



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

27. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd)

(c) Fair value of financial instruments that are carried at fair value (cont'd)

At 30 June 2012	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Company				
Assets				
Available for sale				
Trust capital	27,913	-	-	27,913
Financial assets held for trading				
-Equity instruments (quoted in Malaysia)	729	729	-	-
-Managed Fund	59,960	59,960		
	<u>88,602</u>	<u>60,689</u>	<u>-</u>	<u>27,913</u>

During the reporting period ended 30 June 2012, there were no transfers between the hierarchy fair value measurement.

Comparative figures were not presented for 30 June 2011 by virtue of the exemption provided in paragraph 44G of FRS 7.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

It is, and has been throughout the current and previous financial year, the Group policy that no derivatives shall be undertaken.

The following sections provide details regarding the Group and the Company exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group exposure to bad debts is not significant.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Credit risk (cont'd)

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position, with positive fair values.

At the reporting date, the Company provided corporate guarantees for one of its subsidiaries in respect of credit facilities granted by suppliers totalling RM2,300,000 (2011 : RM2,300,000). As at reporting date, the credit facilities utilised by this subsidiary amounted to RM338,000 (2011 : RM274,000).

The value of corporate guarantees provided by the Company to its subsidiary are determined by reference to the difference in the interest rates, by comparing the actual rates charged by the suppliers if these guarantees has not been available. The Directors have assessed the fair value of these corporate guarantees to have no material financial impact on the results and the retained profits of the Company.

Credit risk concentration profile

The Group and the Company are not exposed to any significant concentration of credit risk in the form of receivables due from a single debtor or from groups of debtors.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 18. Deposits with banks and other financial institutions and other investments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of diverse source of credit facilities from various banks.

In the management of liquidity risk, the Group and the Company monitors and maintains a level of cash and bank balances deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effects of fluctuations in cash flows.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

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

	On demand or within one year RM'000	Over one year RM'000	Total RM'000
2012			
Group			
Financial liabilities:			
Trade and other payables	33,166	-	33,166
Provision for foreseeable losses for affordable housing	-	123,765	123,765
Retirement benefits obligation	-	898	898
Total undiscounted financial liabilities	<u>33,166</u>	<u>124,663</u>	<u>157,829</u>
Company			
Financial liabilities:			
Amount owing to subsidiaries	-	21,957	21,957
Trade and other payables	9,714	-	9,714
Provision for foreseeable losses for affordable housing	-	76,604	76,604
Retirement benefits obligation	-	434	434
Total undiscounted financial liabilities	<u>9,714</u>	<u>98,995</u>	<u>108,709</u>
2011 (restated)			
Group			
Financial liabilities:			
Trade and other payables	25,684	-	25,684
Provision for foreseeable losses for affordable housing	-	123,765	123,765
Retirement benefits obligation	-	977	977
Total undiscounted financial liabilities	<u>25,684</u>	<u>124,742</u>	<u>150,426</u>
Company			
Financial liabilities:			
Amount owing to subsidiaries	-	8,144	8,144
Trade and other payables	5,637	-	5,637
Provision for foreseeable losses for affordable housing	-	76,604	76,604
Retirement benefits obligation	-	338	338
Total undiscounted financial liabilities	<u>5,637</u>	<u>85,086</u>	<u>90,723</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Interest rate risk

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

The Group investments in financial assets are short and medium term in nature and are not held for speculative purposes. Most of the investments were placed as deposits or occasionally, as short term commercial papers which yield better returns than cash at bank.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 50 basis points lower/higher, with all other variables held constant, the Group and the Company's profit net of tax would have been RM518,000 and RM116,000 (2011: RM309,000 and RM283,000) lower/higher, arising mainly as a result of lower/higher interest income from cash and cash equivalent. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group is not materially exposed to foreign exchange risk on transactions and balances as majority of the Group's transactions and balances are denominated in Ringgit Malaysia. However, the Group is exposed to currency translation risk arising from the Company's foreign subsidiary.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the United States Dollar ("USD") and Australian Dollar ("AUD") exchange rates with all other variables held constant, of the Group's profit net of tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity (due to changes in translation reserve). The Group's exposure to foreign currency changes for all other currencies is not material.

		Group			
		2012		2011	
		Profit net of tax RM'000	Translation reserve RM'000	Profit net of tax RM'000	Translation reserve RM'000
RM/USD	- Strengthened 2%	-	1,845	-	1,600
	- weakened 2%	-	(1,845)	-	(1,600)
USD/AUD	- Strengthened 2%	-	-	48	-
	- weakened 2%	-	-	(48)	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market price (other than interest or exchange rate).

The Group is exposed to equity price risk arising from its investments in quoted equity instruments. The Group is also exposed to other market risk arising from trust capital, managed funds and portfolio investments managed by local and foreign financial institutions. These instruments are either classified as fair value through profit or loss or available for sale financial assets.

The Group's objective is to manage investment returns, equity price risk and other market risk using a mix of investments portfolio.

Sensitivity analysis for equity price risk

At the reporting date, if the FTSE Bursa Malaysia KLCI and fair value of the trust capital, managed fund and investment portfolio managed by local and foreign financial institutions were to change by 5% respectively with all other variables held constant, the effects for the Group would have been as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Charge to profit or loss :				
Investment in quoted share in Malaysia				
- increased by	36	80	36	80
- decreased by	(36)	(80)	(36)	(80)
Investment in managed fund managed by local financial institutions in Malaysia				
- increased by	3,004	6,377	2,998	6,377
- decreased by	(3,004)	(6,377)	(2,998)	(6,377)
Portfolio investment managed by foreign financial institutions				
- increased by	163	4,510	-	-
- decreased by	(163)	(4,510)	-	-
Charge to other comprehensive income :				
Trust capital managed by a local financial institution				
- increased by	1,396	395	1,396	395
- decreased by	(1,396)	(395)	(1,396)	(395)



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

29. SUBSEQUENT EVENT

On 19 July 2012, a wholly-owned subsidiary, Daiman Properties Sdn. Bhd. has entered into a conditional sale and purchase agreement to dispose off 5 pieces of land held under GRN 211709 to GRN 211713, all situated in the Mukim of Serkat for a total consideration of RM32,926,687.

As of the date of this report, the above disposal has yet to be completed.

30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 June 2012 and 30 June 2011.

31. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- (i) Property development - This segment is in the business of development of residential, commercial and industrial properties.
- (ii) Property investment - This segment is in the business of management and operation of buildings.
- (iii) Non-property investment - This segment is in the business of overseas investment.
- (iv) Trading - This segment comprises the trading activities in building materials.
- (v) Leisure and recreation - This segment is in the business of sports, golf and recreational clubs and bowling centre.
- (vi) Other business segments mainly comprise nursery operation, none of which is of a sufficient size to be reported separately.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

31. SEGMENT INFORMATION (cont'd)

30 June 2012	Property Development RM'000	Property Investment RM'000	Non-Property Investment RM'000	Trading RM'000	Recreation RM'000	Leisure and Others RM'000	Elimination RM'000	Notes	Consolidated RM'000
Revenue									
External sales	126,175	6,125	696	28,597	8,164	720	-		170,477
Inter-segment sales	4,800	645	4,237	40	9	2,683	12,414	A	-
Total revenue	130,975	6,770	4,933	28,637	8,173	3,403	12,414		170,477
Results									
Interest income	1,156	4	682	111	43	38	-		2,034
Dividend income	3,896	-	14	3	-	-	-		3,913
Fair value adjustment on investment property	13,812	1,275	-	-	-	-	(6,880)		8,207
Net (gain)/loss on other investment held for trading	1,203	-	(10,828)	-	-	-	-		(9,625)
Depreciation	570	105	-	300	895	71	555		2,496
Other non-cash expenses	4,805	1	-	19	52	6	-	B	4,883
Income tax expense	-	-	-	-	-	-	-	C	11,747
Segment Profits	60,754	2,353	2,584	2,757	289	(2,644)	(15,560)		50,533
Assets									
Additions to non-current assets	5,367	62,263	-	173	394	49,149	-	D	117,346
Segment assets	901,482	124,838	80,176	11,977	21,783	54,404	-		1,194,660
Liabilities									
Segment liabilities	205,230	4,691	13	5,018	1,477	71	-		216,500



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

31. SEGMENT INFORMATION (cont'd)

	Property Development RM'000	Property Investment RM'000	Non-Property Investment RM'000	Trading RM'000	Recreation RM'000	Leisure and Recreation RM'000	Others RM'000	Elimination RM'000	Notes	Consolidated RM'000
30 June 2011 (restated)										
Revenue										
External sales	130,085	3,638	998	24,108	7,296	-	-	-		166,125
Inter-segment sales	20,000	645	434	96	11	-	3,439	(24,625)	A	-
Total revenue	150,085	4,283	1,432	24,204	7,307	-	3,439	(24,625)		166,125
Results										
Interest income	2,767	18	994	23	30	-	10	-		3,842
Dividend income	2,893	-	-	7	-	-	-	-		2,900
Fair value adjustment on investment property	13,432	1,026	-	4	-	-	-	(6,149)		8,313
Net (gain)/loss on other investment held for trading	1,604	-	(9,051)	-	-	-	-	-		(7,447)
Depreciation	552	63	-	297	906	-	49	499		2,366
Other non-cash expenses	3,259	1	-	13	252	-	2	-	B	3,527
Income tax expense	-	-	-	-	-	-	-	-	C	(14,917)
Segment Profits	82,882	3,375	12,465	1,592	405	-	945	(28,758)		72,906
Assets										
Additions to non-current assets	1,673	1,309	-	243	603	-	22	-	D	3,850
Segment assets	980,416	54,446	93,882	11,179	23,239	-	1,524	-		1,164,686
Liabilities										
Segment liabilities	203,681	2,672	15	4,093	1,118	-	448	-		212,027



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

31. SEGMENT INFORMATION (cont'd)

Notes

A Inter-segment revenues are eliminated on consolidation.

B Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	Note	2012 RM'000	2011 (restated) RM'000
Write-down of inventories	6	24	-
Provision for retirement benefits	6	130	130
Impairment loss on property, plant and equipment	6	-	230
Provision for foreseeable losses for affordable houses	6	4,729	3,167
		<u>4,883</u>	<u>3,527</u>

C The following items are deducted from segment profit to arrive at "Profit before tax from continuing operations" presented in the consolidated income statement.

	2012 RM'000	2011 RM'000
Revaluation surplus transferred to profit or loss	(534)	(790)
Dividends from subsidiaries	(9,037)	(20,000)
Capital repayment from a subsidiary	-	(434)
Foreign exchange differences arisen from intercompany transactions	469	(41)
Depreciation on property, plant and equipment self occupied	(555)	(499)
Reclassification from investment properties to property, plant and equipment	(6,780)	(6,149)
Provision for/(Reversal of provision for) diminution in value in subsidiaries	877	(845)
	<u>(15,560)</u>	<u>(28,758)</u>

D Additions to non-current assets consist of:

	2012 RM'000	2011 RM'000
Property, plant and equipment	56,519	2,672
Investment properties	60,827	1,178
	<u>117,346</u>	<u>3,850</u>

Geographical Segments

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows :

	Total Revenue from External Customers		Non-current Assets	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 (restated) RM'000
Malaysia	169,781	161,455	811,308	685,974
Australia	-	3,672	27,913	7,895
British Virgin Islands	696	998	-	3
Consolidated	<u>170,477</u>	<u>166,125</u>	<u>839,221</u>	<u>693,872</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

31. SEGMENT INFORMATION (cont'd)

Geographical Segments (cont'd)

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position:

	2012	2011
	RM'000	(restated) RM'000
Property, plant and equipment	180,842	122,441
Land held for future development	373,049	373,579
Investment properties	257,417	189,957
Other investments	27,913	7,895
	<u>839,221</u>	<u>693,872</u>

Information about a major customer

The Group's customers consist of a large number of diversified customers. There is no sales transaction with a single external customer that amounts to 10% or more of the Group's revenue.

32. Authorisation of financial statements for issue

The financial statements for the year ended 30 June 2012 were authorised for issue in accordance with a resolution of the directors on 28 August 2012.



NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

33. SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 30 June 2012 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2011 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2012	2011 (restated)	2012	2011 (restated)
	RM'000	RM'000	RM'000	RM'000
Total retained profits				
- Realised	568,185	554,643	448,958	460,853
- Unrealised	140,181	127,351	49,639	35,924
	<u>708,366</u>	<u>681,994</u>	<u>498,597</u>	<u>496,777</u>
Less: Consolidation adjustments	(77,808)	(71,170)	-	-
Retained profits as per financial statements	<u>630,558</u>	<u>610,824</u>	<u>498,597</u>	<u>496,777</u>



PARTICULARS OF PROPERTIES

Location	Description	Age (Year)	Tenure	Size (Acre-Nett)	Net Book Value (RM'000)
Properties held by Daiman Development Berhad					
PTD 49317 - 49682 * PTD 55491 - 56459 * PTD 154796 PTD 62111 - 62113 PTD 62361 - 62369 Taman Johor Jaya, Mukim of Plentong District of Johor Bahru, Johor Darul Ta'zim	54 lots of residential land for development 12 lots of vacant land	-	Freehold	2.99	136
PTD 52712 PTD 52756, 52757, 55857, 62700 PTD 115722, 115723 Taman Johor Jaya, Mukim of Plentong District of Johor Bahru, Johor Darul Ta'zim	5 lots of commercial land for development and 2 sewage ponds	-	Freehold	25.60	43,351
Geran 91358/M4/1/105 Geran 91358/M5/1/155, 91358/M6/1/188 Taman Johor Jaya, Mukim of Plentong District of Johor Bahru, Johor Darul Ta'zim	1 unit of low cost shops, 1 unit of multipurpose hall and 1 unit of kindergarden lot	13 ½	Freehold	0.15	34
PTD 115637 and PTD 115654 Taman Johor Jaya, Mukim of Plentong District of Johor Bahru, Johor Darul Ta'zim	2 units of completed bungalow	13 ½	Freehold	0.62	16
PTD 115610 - 115718 * PTD 154826 Taman Johor Jaya, Mukim of Plentong District of Johor Bahru, Johor Darul Ta'zim	79 units of vacant bungalow lots	-	Freehold	17.23	7,727
PTD 154825, 115609 Taman Johor Jaya, Mukim of Plentong District of Johor Bahru, Johor Darul Ta'zim	Land approved for town house and condominium development	-	Freehold	9.97	3,310
Daiman 18 PTD 154827 PTD 115721 Taman Johor Jaya, Mukim of Plentong District of Johor Bahru, Johor Darul Ta'zim	Golf course land and clubhouse land	-	Freehold	103.75	30,500
Daiman Johor Jaya Sports Complex PTD 61815 No. 1, Jalan Dedap 3, Taman Johor Jaya 81100 Johor Bahru, Johor Darul Ta'zim	Land with sports complex building and facilities	21	Freehold	9.21	44,470
Daiman Bowl PTD 61816 No. 2, Jalan Dedap 3, Taman Johor Jaya 81100 Johor Bahru, Johor Darul Ta'zim	36-lane purposed-built bowling centre with retail shops	12	Freehold	2.52	18,300
PTD 29414, 29415 PTD 71404 - 71417 PTD 69118, 69120 Taman Senai Utama, Mukim of Senai-Kulai District of Johor Bahru, Johor Darul Ta'zim	18 lots of residential land for development	-	Freehold	4.42	1,296
PTD 27878 - 27909 PTD 61526, 29529 Taman Senai Utama, Mukim of Senai-Kulai District of Johor Bahru, Johor Darul Ta'zim	34 lots of commercial land for development	-	Freehold	3.82	4,459
PTD 36028 Mukim of Kota Tinggi District of Kota Tinggi, Johor Darul Ta'zim	1 unit of completed single-storey terrace house	-	Freehold	0.08	253



PARTICULARS OF PROPERTIES

Location	Description	Age (Year)	Tenure	Size (Acre-Nett)	Net Book Value (RM'000)
Properties held by Daiman Development Berhad					
PTD 36334, Lot 29215 -29216 Mukim of Kota Tinggi District of Kota Tinggi, Johor Darul Ta'zim	3 units of completed double-storey terrace house	-	Freehold	0.19	1,097
PTD 36379 - 36433* Lot 29230 , 29271 , 29243 , 29280 Mukim of Kota Tinggi District of Kota Tinggi, Johor Darul Ta'zim	33 units of double-storey terrace house under development	-	Freehold	1.32	4,699
PTD 35790 - 35791, PTD 35792 - 35793 Mukim of Kota Tinggi District of Kota Tinggi, Johor Darul Ta'zim	4 units of completed double-storey cluster house	-	Freehold	0.23	1,283
PTD 35812 - PTD 35879* Mukim of Kota Tinggi District of Kota Tinggi, Johor Darul Ta'zim	22 units of double-storey cluster house under development	-	Freehold	1.59	4,845
PTD 23301 PTD 35666 - 37496* Mukim of Kota Tinggi District of Kota Tinggi, Johor Darul Ta'zim	1069 lots of vacant residential and commercial lands for development	-	Freehold	189.46	99,699
PTD 31053 - 31057 PTD 31060 - 31063 Mukim of Kota Tinggi District of Kota Tinggi, Johor Darul Ta'zim	Land approved for mixed residential, commercial and industrial development	-	Freehold	1,826.85	253,950
Lot 55 & Lot 56 Mukim of Senai-Kulai District of Johor Bahru, Johor Darul Ta'zim	Agricultural land	-	Leasehold 999 years	1.44	1,208
Properties held by Atlantic Dynamics Sdn. Bhd.					
PTD 121065, PTD 149400 - 149403 Taman Gaya, Mukim of Tebrau, District of Johor Bahru, Johor Darul Ta'zim	4 plots of land approved for low-cost and low-medium-cost flats development with 1 lot of vacant commercial land	-	Freehold	21.35	12,463
PTD 73641 Taman Gaya, Mukim of Tebrau District of Johor Bahru, Johor Darul Ta'zim	1 unit of completed terraced house	11	Freehold	0.05	112
PTD 73530 - 74511* PTD 97078 - 97083* PTD 121069 - 121070 PTD 149404 Taman Gaya, Mukim of Tebrau District of Johor Bahru, Johor Darul Ta'zim	8 lots of vacant commercial land for development	-	Freehold	33.22	85,922
PTD 121073 - 121210, PTD 121386 - 121563* PTD 149405 - 149907* Taman Gaya, Mukim of Tebrau District of Johor Bahru, Johor Darul Ta'zim	745 lots of vacant residential land for development	-	Freehold	72.46	54,583
PTD 75053, 75091, PTD 75102-75103 PTD 65708, 65727, 65734 & 65769 Taman Gaya, Mukim of Tebrau District of Johor Bahru, Johor Darul Ta'zim	8 units of vacant residential land under development	-	Freehold	0.32	1,753



PARTICULARS OF PROPERTIES

Location	Description	Age (Year)	Tenure	Size (Acre-Nett)	Net Book Value (RM'000)
Properties held by Lembaran Murni Sdn. Bhd.					
PTD 42924 - 43187 * PTD 64998 PTD 74893 Taman Perindustrian Murni Senai Mukim of Senai-Kulai District of Johor Bahru, Johor Darul Ta'zim	4 lots of vacant commercial land for development 1 sub-stations 1 sewage treatment plant	-	Freehold	7.26	4,334
PTD 42998, 43087-43089, 43093,43095 Taman Perindustrian Murni Senai Mukim of Senai-Kulai District of Johor Bahru, Johor Darul Ta'zim	6 unit of completed industrial building	13 ½	Freehold	0.47	1,610
PTD 42965 - 42994 *, PTD 43040 - 43083 * PTD 43096 - 43120 *, PTD 43146 - 43164 * Taman Perindustrian Murni Senai Mukim of Senai-Kulai District of Johor Bahru, Johor Darul Ta'zim	94 lots of vacant industrial land for development	-	Freehold	9.84	9,711
PTD 74896 Taman Perindustrian Murni Senai Mukim of Senai-Kulai District of Johor Bahru, Johor Darul Ta'zim	1 vacant industrial lots	-	Freehold	0.69	540
PTD 64996, 64997 PTD 43135 - 43144* , PTD 43165 - 43169 PTD 43179 - 43185 Taman Perindustrian Murni Senai Mukim of Senai-Kulai District of Johor Bahru, Johor Darul Ta'zim	23 lots of land approved for low-cost and low medium-cost flats development	-	Freehold	19.62	4,229
Properties held by Daiman Properties Sdn. Bhd.					
Lot 11159 No. 64, Jalan Sulam, Taman Sentosa 80150 Johor Bahru, Johor Darul Ta'zim	Freehold land with 7-storey office building known as Wisma Daiman	27 ½	Freehold	0.65	26,040
Lot 4164 No. 11, Jalan Jim Quee, Bukit Chagar 80300 Johor Bahru, Johor Darul Ta'zim	Freehold land with 3-storey apartment block known as Daiman Apartment	27 ½	Freehold	1.30	6,000
Lot 2896 Mukim of Serkat, District of Pontian Johor Darul Ta'zim	Farm land with facilities for prawn farm operation and farm building	32	Freehold	227.76	6,130
Lot 26915 GRN 68171 Mukim of Setapak, Kuala Lumpur	Freehold land with building	17	Freehold	0.69	15,494
Menara Landmark Pending issuance of strata title No. 12, Jalan Ngee Heng 80000 Johor Bahru, Johor Darul Ta'zim	Commercial complex cum office tower and car park known as Menara Landmark	14	Freehold	624,606 sqft (Lettable floor area)	60,617
Properties held by Daiman Landmark Hotel Sdn. Bhd.					
Menara Landmark Pending issuance of strata title No. 12, Jalan Ngee Heng 80000 Johor Bahru, Johor Darul Ta'zim	Hotel tower uncompleted	-	Freehold	358,778 sqft (Gross floor area)	49,058

Notes:

- 1) The PTD range specified with an asterisk(*) do not contain all the lots owned by the respective companies within that range but provided as a range reference only. The exact number of lots owned are, however, stated under the "Description Column".
- 2) The freehold land and building included under investment properties, except for land held for property development, were revalued by the Directors on 30 June 2012. The basis used were based on an independent professional valuation using the open market value.



ANALYSIS OF SHAREHOLDINGS AS AT 08 OCTOBER 2012

AUTHORISED SHARE CAPITAL	:	RM500,000,000
ISSUED AND FULLY PAID-UP CAPITAL	:	RM235,255,600
ADJUSTED ISSUED AND PAID-UP CAPITAL	:	RM212,191,700
AFTER CANCELLATION OF 23,063,900		(out of which 1,606,900 ordinary shares of RM1.00
TREASURY SHARES ON 24 FEBRUARY 2010		each is held as Treasury Shares)
CLASS OF SHARES	:	Ordinary shares of RM1.00 each
NUMBER OF SHAREHOLDERS	:	7,497
VOTING RIGHTS	:	One vote per ordinary share

A) LIST OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Shareholders	Direct		Indirect Interest in Shares	
		No. of Shares	%	No. of Shares	%
1.	Tay Tian Liang	896,600	0.425	103,476,704 ^{*1,*2}	49.137
2.	Tay Thiam Song	1,864,100	0.885	103,368,704 ^{*1,*3}	49.086
3.	Tay Thiam Yew	10,000	0.004	103,366,704 ^{*1}	49.085
4.	Chua Lee Kiang	398,798	0.189	103,366,704 ^{*1}	49.085
5.	Tan Yang Kuan	-	-	103,366,704 ^{*1}	49.085
6.	Daiman Holdings Sdn. Bhd.	103,366,704	49.085	-	-
7.	Tay Kia Hong & Sons Sdn. Bhd.	-	-	103,366,704 ^{*1}	49.085

Notes:

- *1 By virtue of their interest in Daiman Holdings Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965
- *2 By virtue of the shares held by his wife, Mdm Lim Chee Moi
- *3 By virtue of the shares held by his son, Mr Tay Hui Mun (Zheng HuiMeng)

B) LIST OF DIRECTORS' SHAREHOLDINGS IN THE COMPANY

No.	Name of Shareholders	Direct		Indirect Interest in Shares	
		No. of Shares	%	No. of Shares	%
1.	Tay Tian Liang	896,600	0.425	103,476,704 ^{*1,*2}	49.137
2.	Tay Thiam Song	1,864,100	0.885	103,368,704 ^{*1,*3}	49.086
3.	Tay Thiam Yew	10,000	0.004	103,366,704 ^{*1}	49.085
4.	Eddie Chan Yean Hoe	170,000	0.080	-	-
5.	Dato' Ahmad Johari Bin Tun Abdul Razak	1,672,000	0.794	-	-
6.	Ong Seng Pheow	170,000	0.080	-	-
7.	Ho Sing	-	-	-	-

Notes:

- *1 By virtue of his interest in Daiman Holdings Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965
- *2 By virtue of the shares held by his wife, Mdm Lim Chee Moi
- *3 By virtue of the shares held by his son, Mr Tay Hui Mun (Zheng HuiMeng)



ANALYSIS OF SHAREHOLDINGS AS AT 08 OCTOBER 2012

C) DISTRIBUTION OF SHAREHOLDINGS

No. of Holders	Holdings	Total Holdings	%
22	Less than 100	447	0.000
2,352	100 to 1,000	2,308,096	1.096
3,985	1,001 to 10,000	17,261,455	8.196
991	10,001 to 100,000	30,514,600	14.490
145	100,001 to less than 5% of issued shares	62,473,998	29.666
2	5% and above of issued shares	98,026,204	46.549

D) LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS

No.	Name	No. of Shares Held	%
1.	Daiman Holdings Sdn Bhd	57,933,800	27.510
2.	Daiman Holdings Sdn Bhd	40,092,404	19.038
3.	Daiman Holdings Sdn Bhd	5,340,500	2.536
4.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for UBS AG Hong Kong (Foreign)	4,776,500	2.268
5.	Tan Kim Kee @ Tan Kee	2,812,000	1.335
6.	Gan Thian Chin	2,410,600	1.144
7.	Enterlight Investments Pte Ltd	2,360,400	1.120
8.	DB (Malaysia) Nominee (Asing) Sdn Bhd Exempt An for British and Malayan Trustees Limited (Yeoman 3-Rights)	2,325,000	1.104
9.	Cartaban Nominees (Asing) Sdn Bhd SSBT Fund C021 for College Retirement Equities Fund	2,045,900	0.971
10.	Tay Thiam Song	1,864,100	0.885
11.	Yeo Khee Nam	1,010,000	0.479
12.	Tay Tian Liang	896,600	0.425
13.	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yo Kok Kong @ Yue Kok Kong	814,800	0.386
14.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ahmad Johari Bin Tun Abdul Razak (CEB)	806,000	0.382
15.	Lim Pei Tiam @ Liam Ahat Kiat	800,000	0.379
16.	Public Invest Nominees (Asing) Sdn Bhd Exempt An for Phillip Securities Pte Ltd (Clients)	793,900	0.376
17.	Teoh Guan Kok & Co. Sdn. Berhad	760,100	0.360
18.	Lock Kai Sang	703,000	0.333
19.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank for Ahmad Johari Bin Tun Abdul Razak (MM0080)	696,000	0.330
20.	CIMSEC Nominees (Asing) Sdn Bhd Exempt An for CIMB Securities (Singapore) Pte Ltd (Retail Clients)	638,800	0.303
21.	Chin Kian Fong	637,600	0.302
22.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Eu Hong Ngo (E-Tsa)	584,500	0.277
23.	OSK Nominees (Tempatan) Sdn Berhad OSK Trustees Berhad for The Divine Vision Trust	583,300	0.276
24.	Teoh Hooi Bin	559,000	0.265
25.	Chan Seng Cheong	558,400	0.265
26.	Koh Quee Chew	530,000	0.251
27.	Tan Chen Ghim	515,000	0.244
28.	Wetex Industries Sdn Bhd	514,000	0.244
29.	Chong Choon Ying	500,000	0.237
30.	Lim York Lai	500,000	0.237
		135,362,204	64.279



FORM OF PROXY

I/We _____ [NRIC No: _____]
(Please use block letter)

of _____ being
(Full address)

a member/members of **DAIMAN DEVELOPMENT BERHAD** (Co. No. 11681-T) do hereby appoint _____ [NRIC No. _____] of _____ or failing him, _____ [NRIC No. _____] of _____ as *my/our proxy to vote for *me/us on *my/our behalf at the 40th Annual General Meeting of the Company to be held on Tuesday, the 27th day of November, 2012 at 11.00 am at Dewan Johor, 2nd Floor, Mutiara Hotel Johor Bahru, Jalan Dato' Sulaiman, Taman Century, 80250 Johor Bahru, Johor Darul Ta'zim, and at any adjournment thereof. *My/our proxy is to vote as indicated below:

RESOLUTIONS	FOR	AGAINST
ORDINARY BUSINESS		
1. Re-election of Director – Mr Tay Tian Liang		
2. Re-election of Director – Dato' Ahmad Johari Bin Tun Abdul Razak		
3. Re-election of Director – Mr Ho Sing		
4. Approval of Directors' Fees		
5. Declaration of a First & Final Dividend		
6. Re-appointment of Messrs Ernst & Young as the Auditors		
SPECIAL BUSINESS		
7. Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965		
8. Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-back by the Company		

(Please indicate with a cross (X) in the spaces whether you wish your votes to be cast "FOR" or "AGAINST" on the resolutions. In the absence of such specific directions, your proxy will vote or abstain as he/she thinks fit.)

Number of Shares Held	
CDS Account No.	

Signature of Member/Members
Contact No.

Dated this _____ day of _____ 2012

* Strike out whichever is inapplicable.

Notes:

- Only members registered in the Record of Depositors as at 19 November 2012 are eligible to attend the Company's 40th Annual General Meeting or to appoint proxy to attend and vote on his/her behalf.
- A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
- A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same Meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
- The Proxy Form must be deposited with the Company Secretary at the Registered Office at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Ta'zim not less than 48 hours before the time set for the Meeting.
- The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy.

Fold along this line (1)

Postage

The Company Secretary
Daiman Development Berhad (Co.No. 11681-T)
Suite 1301, 13th Floor
City Plaza, Jalan Tebrau
80300 Johor Bahru
Johor Darul Ta'zim

Fold along this line (2)

大馬發展有限公司
DAIMAN DEVELOPMENT BERHAD

(Co. No. 11681-T)

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