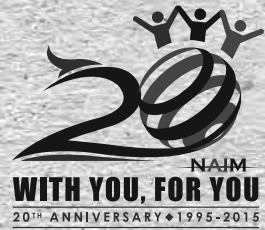


# NAIM

A Multi-Award Winning Developer & Contractor  
**NAIM HOLDINGS BERHAD**  
(Company No.: 585467-M)



ANNUAL REPORT 2014



THE PARAGONS OF SARAWAK



# Contents



## Performance At A Glance

- 8 Corporate Profile
- 9 Group Financial Summary
- 10 10-Year Financial Highlights
- 12 Share Performance

## Corporate Information

- 14 Corporate Information
- 15 Corporate Structure
- 16 Board of Directors
- 18 Directors' Profile
- 24 Our Awards and Accolades
- 25 OUR PEOPLE, OUR 'SUPERSTARS': Talent Management and Development

## Business Review

- 29 Letter to our Shareholders
- 37 Performance Overview
- 42 Corporate Social Responsibility

## Special Feature

- 48 Naim's 20th Anniversary Countdown Begins!
- 49 The Beginning In The Journey of Giving: Commencing Works For Habitat For Humanity Malaysia's Borneo Blitz Build (BBB) 2014 Project
- 50 And The Award Goes To.....

## Other Highlights

- 53 Corporate Diary 2014
- 56 Naim in the News

## Corporate Governance

- 59 Corporate Governance Statement
- 64 Board Committees Report
- 75 Audit Committee Report
- 79 Statement on Risk Management and Internal Control
- 81 Investor Relations Activities

## Economic Outlook

- 83 Economic Outlook

## Financial Statements

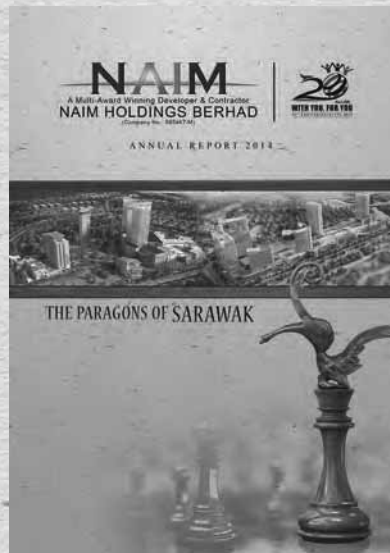
- 86 Directors' Report
- 89 Statements of Financial Position
- 90 Statements of Profit or Loss and other Comprehensive Income
- 91 Consolidated Statements of Changes in Equity
- 92 Statements of Changes in Equity
- 93 Statements of Cash Flows
- 95 Notes to the Financial Statements
- 148 Statement by Directors
- 149 Statutory Declaration
- 150 Independent Auditors' Report

## Other Information

- 152 Analysis of Shareholdings
- 154 Top 10 Properties
- 155 Notice of Annual General Meeting
- 157 Proxy Form

Disclaimer: The featured photographs and perspective drawings in this report are subject to amendment as maybe required by the Authorities or project consultants and cannot form part of an offer or contract. Whilst every care has been taken in providing them, Naim cannot be held responsible for any inaccuracy.





## Theme and Cover Design

2014 Was an embodiment of hard work and perseverance for the Naim Team. We triumphed over challenges, had our hearts in the business and strived as one towards the continued and sustainability of the Group.

We created a new chapter in Sarawak's property scene with two iconic developments, the Bintulu Paragon and Kuching Paragon integrated developments. Redefining the 'live, work and play' experience, and with their innovatively designed components, they are the 'Paragons of Sarawak' - the epitome of modern and affluent lifestyle, your world in one place.

The 'Paragons of Sarawak' has cemented the Group's position as the market leader and 'play maker' in Sarawak's property scene, now and for many years to come.



## Logo Rationale

The actual logo displays the word Naim in green, red and gold colours which reflects the Group's strength and capabilities. Green represents growth, sincerity and fairness, red represents strength and prosperity, whilst gold represents excellence and superior quality. The word Naim is intersected by the apex of a toroid, a ring-like shape possessing exceptional strength, stability and integrity. The conjunction of the golden letter A and the toroid suggests a dazzling sunrise, predicting a shining long-term future for the Group.

For this annual report, the report was presented in black and white, including the Naim logo, affirming our commitment towards cost management.





## **Wisma Naim**

2½ Mile, Rock Road,  
93200 Kuching,  
Sarawak, Malaysia





---

## Our Vision

To be the leading home builder and contractor in every market in which we operate, and in every aspect of our operations, leading the way in quality, reliability and value for money.

## Our Mission

- ♦ To provide the finest products and services to our customers
- ♦ To provide increasing value and superior returns for our shareholders
- ♦ To empower every member of our staff to develop their potential to the maximum
- ♦ To be a role model customer for our suppliers, sub-contractors and service providers
- ♦ To contribute meaningfully and positively to the community and the society that nurture us

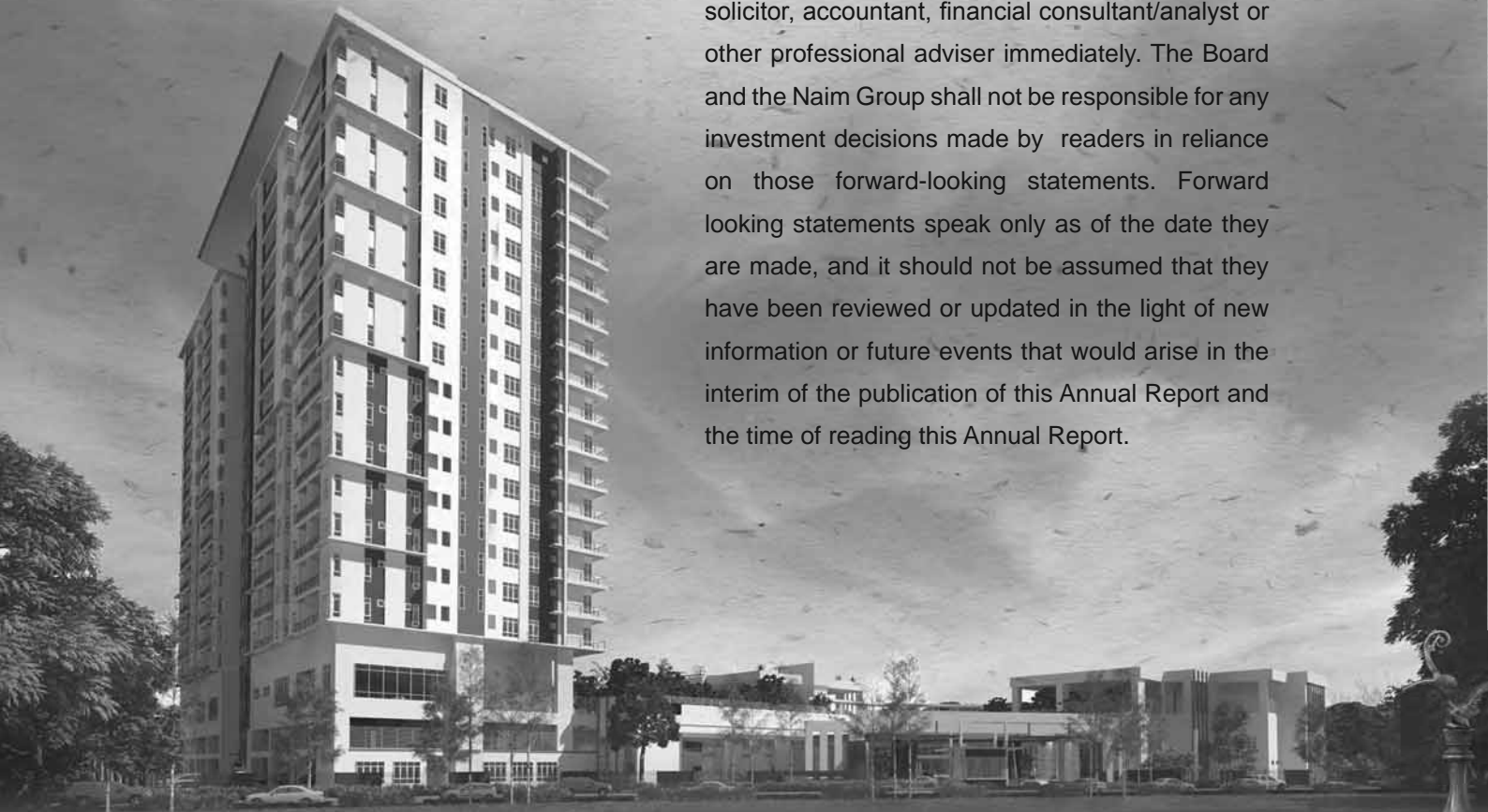
## Corporate Responsibility Statement

To consider, monitor and ensure that our operations continue to have a positive impact on our employees, the communities we work in and the environment that nurtures us, and to promote trust and mutual respect amongst our customers and all other stakeholders.

---

## Cautionary Statement Regarding Forward-Looking Statements

This Annual Report contains some forward-looking statements in respect to the Naim Group's financial condition, results of operations and business. These forward-looking statements represent the Naim Group's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Readers are hereby cautioned that a number of factors could cause actual results to differ, in some instances materially, from those anticipated or implied in any forward-looking statement. In this respect, readers must therefore not rely solely on these statements in making investment decisions regarding the Naim Group. You should rely on your own evaluation to assess the merits and risks of any investment decisions and seek independent advices from your stockbroker, bank manager, solicitor, accountant, financial consultant/analyst or other professional adviser immediately. The Board and the Naim Group shall not be responsible for any investment decisions made by readers in reliance on those forward-looking statements. Forward looking statements speak only as of the date they are made, and it should not be assumed that they have been reviewed or updated in the light of new information or future events that would arise in the interim of the publication of this Annual Report and the time of reading this Annual Report.



Perspective of Sapphire On The Park (side view)

## Our Presence



- Head Office** : 9th Floor Wisma Naim, 2½ Mile, Rock Road, 93200 Kuching, Sarawak, Malaysia. Website: [www.naim.com.my](http://www.naim.com.my)
- Kuala Lumpur Office** : No A-39-1, Level 39, Menara UOA Bangsar, No 5 Jalan Bangsar Utama 1, 59000 Kuala Lumpur, Malaysia
- Kuching Sales Gallery** : Rock Commercial Centre, Jalan Green, Kuching, Sarawak, Malaysia  
Website: [www.kuchingparagon.com.my](http://www.kuchingparagon.com.my) FB: [www.facebook.com/kuchingparagon](https://www.facebook.com/kuchingparagon)
- Bintulu Sales Gallery** : B-G-1, No.1 Old Airport Place, 97000 Bintulu, Sarawak, Malaysia  
Website: [www.bintuluparagon.com.my](http://www.bintuluparagon.com.my) FB: [www.facebook.com/BintuluParagon](https://www.facebook.com/BintuluParagon)
- Miri Sales Gallery** : Lot 223-226, First Floor, Permy Mall, Bandar Baru Permyjaya, 98000 Miri, Sarawak, Malaysia  
Website: [www.southlake.com.my](http://www.southlake.com.my) FB: [www.facebook.com/southlakepermyjaya](https://www.facebook.com/southlakepermyjaya)



# Performance At A Glance

- 8 Corporate Profile
- 9 Group Financial Summary
- 10 10-Year Financial Highlights
- 12 Share Performance



## Corporate Profile



Bandar Baru Permyjaya, Miri, Sarawak

Commencing operations in 1995 with its landmark development in Tudan, Miri (now known as Bandar Baru Permyjaya), Naim ventured into construction with its first low cost housing project for the then Housing and Development Commission and the construction of the Pujut 7 bridge across Miri River in 1997.

In 1999, it expanded to Kuching with its Desa Ilmu development, followed by its upmarket satellite township called the Riveria development in Kota Samarahan, Kuching. Naim was listed on the Main Board of Bursa Malaysia Berhad on 12 September 2003.

Today, Naim Holdings Berhad, an investment holding company with two main subsidiaries, Naim Land Sdn. Bhd. (NLSB) and Naim Engineering Sdn. Bhd. (NESB), is a fully-integrated property and construction player focusing on integrated property developments, construction, civil engineering, oil and gas and infrastructure projects, and oil and gas services through its investment in Dayang Enterprise Holdings Bhd..

Naim is also a Class A Contractor with ISO 9001 certification and has emerged as one of Malaysia's largest Bumiputera contractors which has carried out more than RM5 billion worth of works (including its own development projects).

With its flagship property developments in Bandar Baru Permyjaya in Miri, Kuching Paragon integrated development, Desa Ilmu and Riveria in Kuching, Bintulu Paragon integrated development in Bintulu, and a number of smaller developments in Sarawak, Naim has also built more than 16,000 properties for the Sarawak community.

Customer satisfaction year after year clearly demonstrates the philosophies of Naim's existence – excellent quality, timely delivery, value and customer service. This has resulted in a total of 22 industry awards/accolades being won since 2002, an acknowledgement of Naim's significant contribution in the property and construction sectors.



ISO 9001 & ISO 14001  
CERTIFICATIONS



OHSAS 18001  
CERTIFICATION



## Group Financial Summary

Financial Performance		% Change From 2013
Revenue (RM'000)	656,484	- 7.7
Profit Before Tax (RM'000)	227,718	- 9.9
Net Profit Attributable to Owners of the Company (RM'000)	220,337	- 6.5
Total Assets (RM'000)	1,862,963	+ 8.6
Shareholders' Equity (RM'000)	1,261,028	+ 21.3
Earnings Per Share (sen)	92.99	- 6.5
NA Per Share (RM)	5.04	+ 21.2
Return On Equity (%)	17.47	- 22.9
Gross Dividend (sen)	3.5 <sup>^</sup>	+ 16.7
Gross Dividend Yield (%)	1.17 <sup>#</sup>	**

\*\* Gross Dividend Yield for 2013 was 0.82%. Effect of % change in yield was not presented.

# Based on year end share price of RM2.98

<sup>^</sup> Declared on 26 February 2015 in respect of the year ended 31 December 2014

## Financial Calendar

Financial Year End	31 Dec 2014	
Announcement of Results	1st quarter	28 May 2014
	2nd quarter	21 Aug 2014
	3rd quarter	28 Nov 2014
	4th quarter	26 Feb 2015
Notice of Annual General Meeting		22 May 2014
Annual General Meeting		13 June 2014
Single-tier Tax Exempt Dividend	Declaration	26 Feb 2015
	Ex-date	23 March 2015
	Book closure	25 March 2015
	Payment	24 April 2015

## Investor Relations Service

The Group maintains a website ([www.naim.com.my](http://www.naim.com.my)) which provides detailed information on the Group's operations and latest developments. For further details, please forward your queries to [investorrelations@naim.com.my](mailto:investorrelations@naim.com.my)

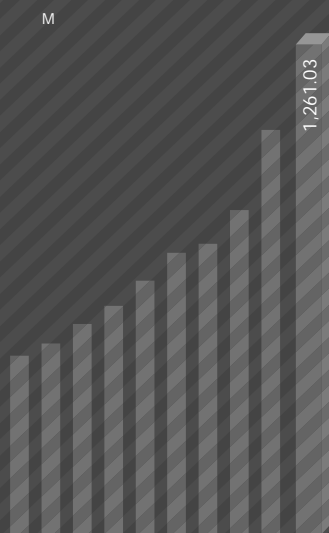
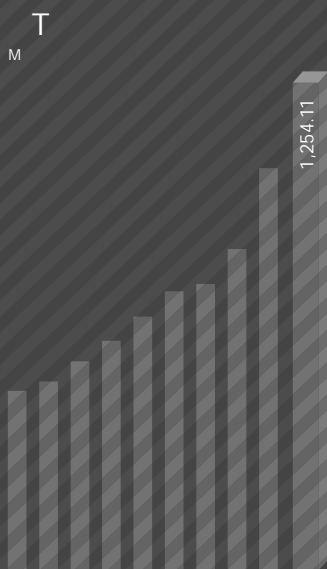
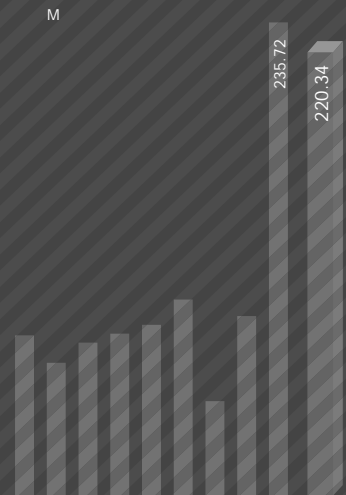
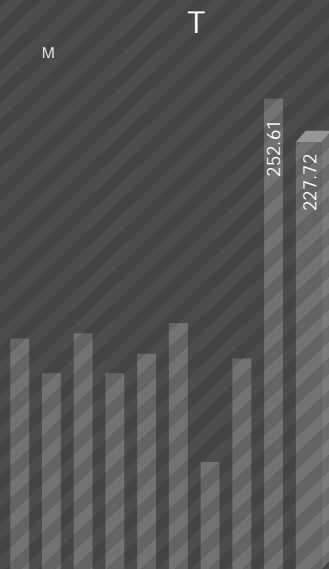
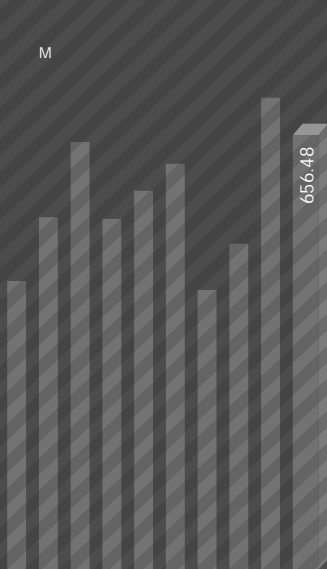




## 10-Year Financial Highlights (in RM million)

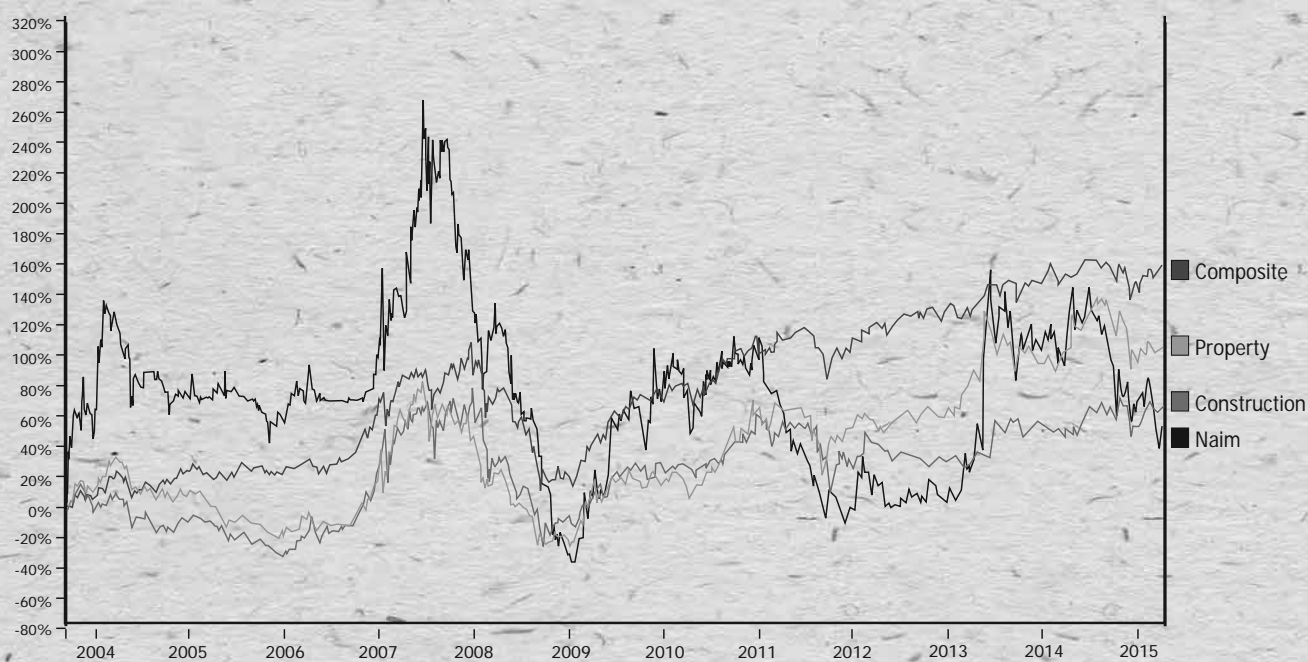
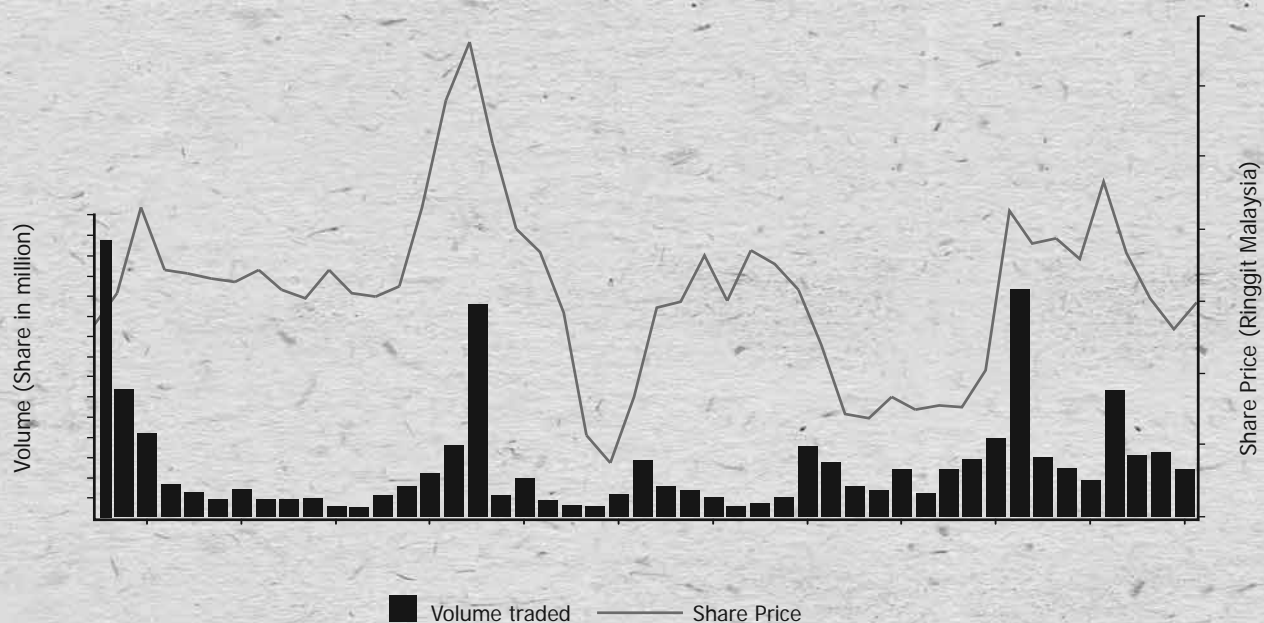
Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Revenue</b>	423.09	526.00	646.02	523.72	566.92	612.69	411.89	492.78	711.46	<b>656.48</b>
<b>Profit before taxation</b>	123.13	104.85	126.33	104.30	115.53	132.04	57.16	112.86	252.61	<b>227.72</b>
<b>Net Profit Attributable to Owners of the Company</b>	79.15	66.23	76.27	80.75	84.98	97.75	46.63	89.49	235.72	<b>220.34</b>
<b>Total Assets</b>	710.28	793.84	906.92	955.92	1,057.16	1,054.62	1,289.06	1,397.45	1,715.09	<b>1,862.96</b>
<b>Net Tangible Assets</b>	459.50	487.68	537.96	586.75	652.36	714.38	738.22	823.69	1,032.28	<b>1,254.11</b>
<b>Shareholders' Equity</b>	459.50	489.82	539.32	587.65	652.36	724.02	747.18	831.96	1,039.88	<b>1,261.03</b>
<b>Total Number of Shares of RM1.00 each</b>	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	<b>250.00</b>
<b>Earnings Per share (sen)</b>	32.00	27.10	31.20	33.32	35.85	41.25	19.68	37.77	99.49	<b>92.99</b>
<b>Gross Dividend Rate (%)</b>	12%	15%	15%	13%	8%	10%	8%	8%	3%	<b>3.5%<sup>^</sup></b>
<b>Net Tangible Assets Per Share (RM)</b>	1.84	1.95	2.15	2.35	2.61	2.86	2.95	3.29	4.13	<b>5.02</b>

<sup>^</sup> Declared on 26 February 2015 in respect of the year ended 31 December 2014



## Share Performance

**NAIM HOLDINGS BERHAD Share Performance Chart  
from 12 September 2003 to 31 March 2015**





# Corporate Information

- 14 Corporate Information
- 15 Corporate Structure
- 16 Board of Directors
- 18 Directors' Profile
- 24 Our Awards and Accolades
- 25 OUR PEOPLE,  
OUR 'SUPERSTARS':  
Talent Management and  
Development



# Corporate Information

## Board of Directors

### Chairman

Datuk Amar Abdul Hamed Bin Haji Sepawi

### Managing Director

Datuk Hasmi Bin Hasnan

### Deputy Managing Director

Wong Ping Eng

### Independent Non-Executive Directors

Tan Sri Izzuddin Bin Dali

Dato Ir. Abang Jemat Bin Abang Bujang

Datu (Dr.) Haji Abdul Rashid Bin Mohd Azis

Professor Dato' Abang Abdullah Bin Abang Mohamad Alli

Datin Mary Sa'diah Binti Zainuddin

Tuan Haji Soedirman Bin Haji Aini

### Company Secretaries

Bong Siu Lian (MAICSA 7002221)

Hasmiah Binti Anthony Hasbi (SAA0772-KH004)

### Registered Corporate Office

9th Floor, Wisma Naim,  
2 ½ Mile, Rock Road,  
93200 Kuching, Sarawak, Malaysia  
Tel : +6 082 411667  
Fax : +6 082 429869  
Website : www.naim.com.my

### Registrar

Tricor Investor Services Sdn. Bhd.  
Level 17, The Gardens, North Tower  
Mid Valley City, Lingkaran Syed Putra  
59200 Kuala Lumpur, Malaysia  
Tel : +6 03 22643883  
Fax : +6 03 22821886

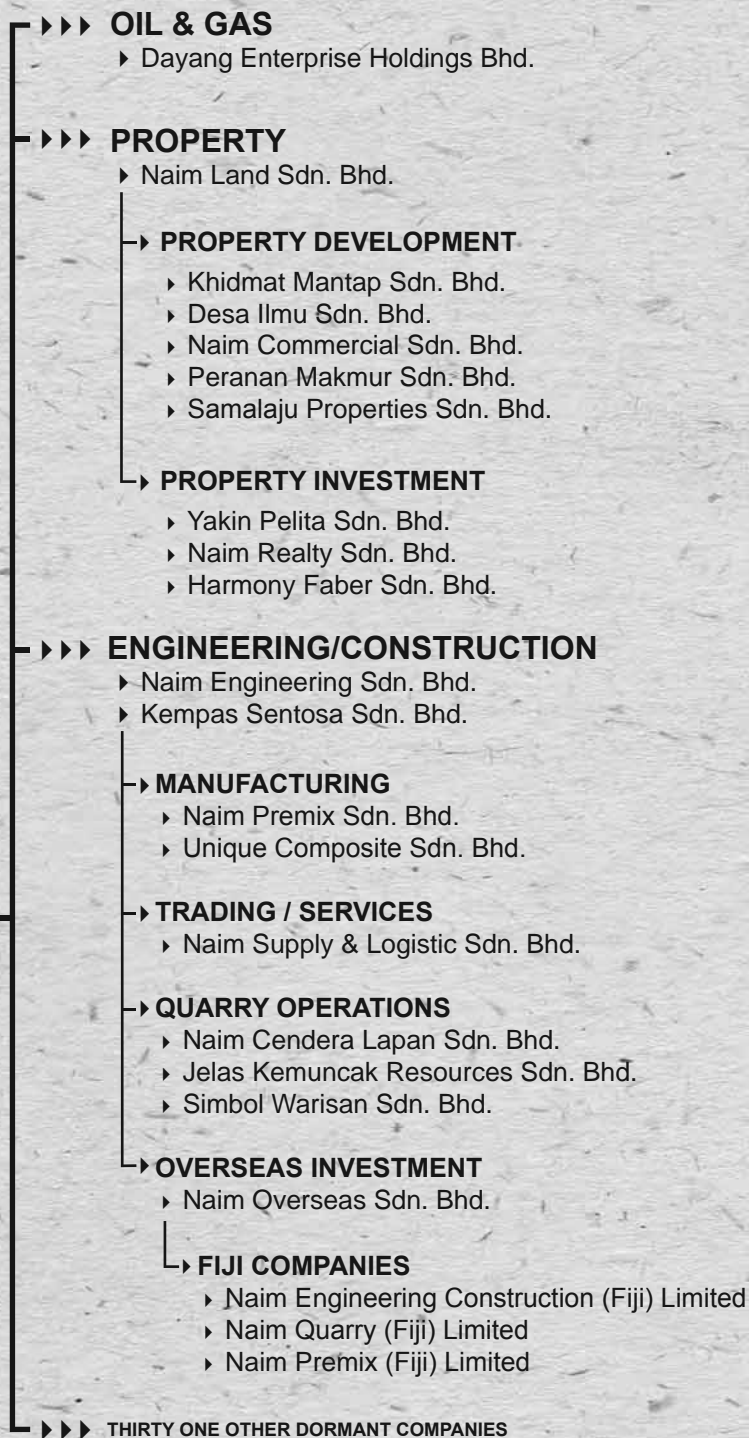
### Stock Exchange Listing

Bursa Malaysia  
Listed on 12 September 2003  
Sector : Property  
Stock Code : 5073  
Stock Name : Naim

### Auditors

KPMG

## Corporate Structure (as at date of Annual Report)





## Board of Directors



From Left to Right:

- 1 **Datuk Hasmi Bin Hasnan**  
Managing Director
- 2 **Tuan Haji Soedirman Bin Haji Aini**  
Independent Non-Executive Director
- 3 **Dato Ir. Abang Jemat Bin Abang Bujang**  
Independent Non-Executive Director
- 4 **Datuk Amar Abdul Hamed Bin Haji Sepawi**  
Chairman



From Left to Right:

- 5 **Datin Mary Sa'diah Binti Zainuddin**  
Independent Non-Executive Director
- 6 **Datu (Dr.) Haji Abdul Rashid Bin Mohd Azis**  
Independent Non-Executive Director
- 7 **Tan Sri Izzuddin Bin Dali**  
Independent Non-Executive Director
- 8 **Professor Dato' Abang Abdullah Bin Abang Mohamad Alli**  
Independent Non-Executive Director
- 9 **Wong Ping Eng**  
Deputy Managing Director



## Directors' Profile



**Datuk Amar Abdul Hamed  
Bin Haji Sepawi**  
Chairman

**Malaysian aged**  
66

**Date of Appointment**  
25 July 2003

**Academic/Professional Qualification(s)**

- BSc (Hons) from University of Malaya
- Undergraduate studies in forestry at the Australia National University
- MSc in Forest Products from Oregon State University, USA

**Present Directorship in other PLC(s)**

Ta Ann Holdings Berhad  
Sarawak Plantation Berhad  
Smartag Solutions Berhad

**Present Directorship in Non Listed Company**

Sarawak Energy Berhad

**Working Experience and Occupation**

Prior to the Naim Group's listing he was Non-Executive Chairman of Naim Land Sdn. Bhd. since 12 October 1995. Whilst remaining active in the timber and plantation industries, Datuk Amar Abdul Hamed developed his career around his keen personal interest in the construction sector, which was first acquired through school vacation jobs in Miri. For more than 30 years, he has been active as an investor, manager and director in companies carrying out civil works, offshore engineering, construction, housing and property development.

He was conferred the coveted Sarawak State Outstanding Entrepreneurship Award 2014 by the Ministry of Industrial Development, in association with the Sarawak Chamber of Commerce and Industries (SCCI) and Ernst & Young in recognition of his contribution towards the State's economic development.

He was also a member of the National Economic Consultative Council II.





**Datuk Hasmi Bin Hasnan**

Managing Director

**Malaysian aged**

62

**Date of Appointment**

25 July 2003

**Academic/Professional Qualification(s)**

- BSc in Estate Management from the London South Bank University, UK
- Senior Certified Valuer with the International Real Estate Institute, USA
- Member of the International Real Estate Federation (FIABCI)

**Present Directorship in other PLC(s)**

Dayang Enterprise Holdings Bhd.

**Present Directorship in Non Listed Company**

Naim Incorporated Berhad

**Working Experience and Occupation**

He began his career in 1979 as a valuer in the Land and Survey Department of Sarawak. Since 1982, he has been involved in a wide range of businesses, including valuation, project management, property development and management, construction, timber, manufacturing, trading and publishing. In June 1993, he became the Managing Director of Naim Land Sdn. Bhd. and has since been the main driving force behind the company's growth and expansion. He was awarded the Property Man of the Year for 2008 by FIABCI in Kuala Lumpur.

## Directors' Profile (continue)

### Wong Ping Eng

Deputy Managing Director

**Malaysian aged**

41

**Date of Appointment**

29 November 2012



#### Academic/Professional Qualification(s)

- Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College, Kuala Lumpur
- A Certified Accountant with the Malaysian Institute of Accountants and Association of Chartered Certified Accountants (ACCA)

#### Present Directorship in other PLC(s)

Dayang Enterprise Holdings Bhd.

#### Present Directorship in Non Listed Company

Naim Incorporated Berhad

#### Working Experience and Occupation

She has more than 15 years' experience in financial and accounting field. She started her career as an Audit Assistant at KPMG Kuching in September 1997 until December 2000. In 2004, she moved to Naim as an Accountant. In July 2004-2008, she was appointed the Operations Manager for Naim's Bandar Baru Permyjaya project in Miri where she was responsible for managing the whole of Miri's operations. In July 2008, she was promoted as the Vice President – Finance and Accounts to oversee the Group's Finance and Accounts Division and subsequently promoted as the Deputy Director, Finance and IT Division. In August 2012, she was promoted to a Senior Director for the Group's Support Division comprising Finance and Accounts, Administration, Human Resource and Information Technology. She was appointed as an Executive Director of Naim Holdings Berhad on 29 November 2012 and on 9 January 2013 she was re-designated as the Deputy Managing Director.

### Tan Sri Izzuddin Bin Dali

Independent Non-Executive Director

**Malaysian aged**

66

**Date of Appointment**

27 February 2013



#### Academic/Professional Qualification(s)

- Bachelor of Economics (Hons) from University of Malaya
- Masters of Arts (Economics) from University of Western Michigan, USA

#### Working Experience and Occupation

He has served the Government for more than 35 years in various departments within the Ministry of Finance. In 2003, he was appointed as the Secretary General, Ministry of Works and in 2004 he was promoted as the Secretary General of Treasury, Ministry of Finance. He retired from government service in March 2007.

He has previously served on a number of boards, including amongst others, Chairman of Kumpulan Wang Persaraan, Group Chairman of Syarikat Prasarana Negara Berhad, Chairman of Rapid Penang Sdn. Bhd, Cyberview Sdn. Bhd, Syarikat Pembinaan BLT Sdn. Bhd, Sarawak Hidro Sdn. Bhd, Non-Independent Non-Executive Director of Petronas, Malaysia Airlines System Bhd, Perbadanan Insuran Deposit Malaysia, Bank Negara Malaysia, Uda Holdings Berhad, Malaysia Airports Holdings Berhad, Bintulu Port Sdn. Bhd. and Kuala Lumpur International Airport Berhad. His international stint also includes board membership in the International Islamic Trade Finance Corporation, a subsidiary of the Islamic Development Bank, based in Jeddah.

He is Chairman, Director and Advisor of several private limited companies.



**Dato Ir. Abang Jemat Bin Abang Bujang**

Independent Non-Executive Director

**Malaysian aged**

62

**Date of Appointment**

- i As Independent Non-Executive Director (25 July 2003)
- ii Re-designated to Non-Independent Non-Executive Director (14 March 2005)
- iii Reinstated as Independent Non-Executive Director (21 March 2011 till now)

**Academic/Professional Qualification(s)**

- Bachelor of Engineering (Electrical) from Newcastle University, New South Wales, Australia.
- Registered Professional Engineer with the Board of Engineers, Malaysia
- Member of the Institute of Engineers, Malaysia.

**Working Experience and Occupation**

He first joined Telecom Department Sarawak as a Telecommunication Engineer from 1979 to 1986 and assumed the post of the Director of Telecom Department Sarawak from 1987 to 1990. He was the General Manager of Syarikat Telekom Malaysia Sarawak Region from 1995 to 1998. Subsequently from 1999 to 2000, he served as the Chief Executive Officer of TM Cellular Sdn Bhd, a wholly-owned subsidiary of Syarikat Telekom Malaysia. From 2001 until his retirement on 31 October 2012, he was the Managing Director and Chief Executive Officer of Sacofa Sdn. Bhd. He was awarded the Pingat Perkhidmatan Bakti (PPB) in 1997 and Panglima Setia Bintang Sarawak (PSBS) in 2011 by TYT Yang di-Pertua Negeri Sarawak.

**Datu (Dr.) Haji Abdul Rashid Bin Mohd Azis**

Independent Non-Executive Director

**Malaysian aged**

69

**Date of Appointment**

16 February 2005

**Academic/Professional Qualification(s)**

- Degree of Doctor (honoris causa) by Swinburne University of Technology, Australia
- Master in Business Administration from Brunel University, UK
- Diploma in Management Science (Finance), Institut Tadbiran Negara Malaysia (INTAN)
- Certificate of Executive Programme AIM
- Senior Executive Fellows Programme, Harvard University, USA

**Working Experience and Occupation**

He joined the Sarawak Administrative Service in 1965. He worked in the Government Service for 41 years and has held various senior posts in Government Departments and Statutory Bodies. The last post he held was the Director of Sarawak Foundation until he retired from service in December 2005.

He was a Director of Sarawak Electricity Supply Corporation (SESCO), Aseambankers (M) Berhad, Tradewinds (Malaysia) Berhad and Sarawak Widows and Orphans Pension Fund (WOPF), Alternate Member to the State Secretary of Sarawak in Employees' Provident Fund (EPF) Board and a member of Majlis Islam, Sarawak. Datu (Dr) Haji Abdul Rashid Bin Mohd Azis is currently the Deputy Chairman of Yayasan Sarawak, Chairman of a number of Yayasan Sarawak's subsidiary companies and a Board member of Sarawak Economic Development Corporation (SEDC).

Currently, he is also the Chairman of the Charitable Trust, Bandar Sri Aman Mosque, a Board Member of Swinburne University of Technology and Deputy Chairman of the University's Council (Sarawak Campus).



## Directors' Profile (continue)

### **Datin Mary Sa'diah Binti Zainuddin**

Independent Non-Executive Director

Malaysian aged  
59

Date of Appointment  
27 February 2013



#### **Academic/Professional Qualification(s)**

Bachelor of Social Science (Hons), Universiti Sains Malaysia

#### **Present Directorship in other PLC(s)**

KKB Engineering Berhad

#### **Working Experience and Occupation**

She has more than 30 years of experience in the oil and gas industry and was the General Manager, Petronas Sarawak Regional Office Kuching since 2009 till her retirement on 31 December 2012. Her wide experience covers many aspects of management, including public relations, administration, marketing, procurement and corporate affairs. She is also the President of Sarawak Women Hockey Association.

### **Tuan Haji Soedirman Bin Haji Aini**

Independent Non-Executive Director

Malaysian aged  
59

Date of Appointment  
17 September 2013



#### **Academic/Professional Qualification(s)**

- Fellow of the Association of Chartered Certified Accountants, UK
- Member of Malaysian Institute of Accountants (MIA)

#### **Present Directorship in other PLC(s)**

Sarawak Consolidated Industries Berhad

#### **Working Experience and Occupation**

He started his career with Petronas in 1982 and after serving 13 years with the Company, he resigned in 1995 to join the Sarawak State Government. He is currently the General Manager of Sarawak Economic Development Corporation (SEDC).

His previous employment in the Sarawak Civil Service included the Permanent Secretary of Ministry of Social Development, Director of State Implementation Monitoring Unit, Permanent Secretary of the Ministry of Industrial Development, Deputy State Financial Secretary and State Accountant-General. Between November 2002 and September 2003, he was seconded to Amanah Saham Sarawak Berhad as its Chief Executive Officer.

He currently sits on the Board of various Government-Linked Companies and Non-Governmental Organisations.

## **Professor Dato' Abang Abdullah Bin Abang Mohamad Alli**

Independent Non-Executive Director

**Malaysian aged**

62

**Date of Appointment**

15 May 2007



### **Academic/Professional Qualifications**

- Bachelor degree in Civil Engineering from the University of Brighton
- Master degree in Structural Engineering from the University of Manchester
- Registered Professional Engineer (PEng) with the Board of Engineers, Malaysia, and Chartered Engineer (CEng) with the Engineering Council, UK
- Fellow of the Institution of Engineers, Malaysia (FIEM), Institution of Civil Engineers, UK (FICE), International Ferrocement Society (FIFS), Academy of Sciences, Malaysia (FASc) and ASEAN Academy of Engineering and Technology (FAAET)
- Honorary Member (Academician) of the Kazakhstan Engineering Academy, Honorary Fellow of the Institution of Engineers, Malaysia and the ASEAN Federation of Engineering Organisations

### **Working Experience and Occupation**

Professor Dato' Abang Abdullah began his career as a lecturer at Universiti Putra Malaysia in 1976, and was promoted to Associate Professor in 1982 and full Professor in 1987. He was upgraded to Senior Professor (Special Grade B) in 1995 and in 2008, to Senior Professor (Special Grade A). At the same time he was made the Deputy Dean, Faculty of Engineering in 1981 and Dean in 1982. He was the Chairman of the Malaysian Council of Engineering Deans and served as a Design Engineer at Malaysian International Consultants and Perunding Bakti Sdn. Bhd. He has served as a Board Member of the Malaysian Highway Authority (LLM) and Board of Engineers, Malaysia (BEM). He is currently the President of the Malaysian Society for Engineering and Technology (MySET), and a past President of the

Institution of Engineers, Malaysia (IEM) and Federation of Engineering Institutions of Islamic Countries (FEIIC).

He was elected as an Honorary Advisor to the Master Builders Association, Malaysia (MBAM) and Chairman of CIDB Steering Committee on Industrialised Building System. He was appointed an Advisor of King Abdullah University of Science and Technology (KAUST), Saudi Arabia, Adjunct Professor of Universiti Malaysia Sarawak, Board/Council Member of Universiti Kuala Lumpur (UniKL), Board Member of the National Accreditation Board (LAN), Director of Housing Research Centre (HRC), Universiti Putra Malaysia, and Board Member, of the Polytechnic Curriculum Board, Ministry of Higher Education.

He has written a book on Industrialised Buildings Systems (IBS) and has been involved in research work on housing and construction technology, specifically in the areas of low cost materials of construction, industrialised building systems and affordable quality housing.

Please refer to page 153 for Directors' securities holdings in the Company.

There is no other family relationship between the Directors and/or major shareholders of the Company.

All Directors are Malaysians.

None of the Directors was convicted for any offence.

Please refer to page 60 for Directors' attendance at board meetings held during the financial year.



## Our Awards and Accolades



**2014**  
The Sarawak  
CMEA Award:  
**Large Industries**  
(Services and Other  
Sectors - Construction)



**2014**  
**Malaysian Reserve  
Property Press Awards**  
Most Prestigious  
Integrated Development  
- Bintulu Paragon



**2014**  
**Malaysian Reserve  
Property Press Awards**  
Most Prestigious  
Integrated Lifestyle  
Residential Development  
- Southlake Permyjaya



**2014**  
Readers' Choice  
**Malaysian Reserve  
Property Press  
Awards**  
Best Commercial  
Development  
- Bintulu Paragon



**2014**  
AREA  
**Social  
Empowerment  
Category**



**2013**  
APEA  
**Outstanding  
Entrepreneurship  
Category**



**2012**  
The Sarawak  
CMEA Award:  
**Large Enterprise  
Category**  
(Construction)



**2012**  
The BrandLaureate  
Best Brands  
Awards 2011-2012:  
**The BrandLaureate  
Conglomerate Awards**  
2011-2012



**2010**  
The Sarawak  
CMEA Award:  
**Large Enterprise  
Category**  
(Construction)



**2009**  
SHEDA  
Excellence Awards:  
**Top Developer  
in Residential  
Development**



**2008**  
FIABCI Malaysia  
Property Award:  
**Property Man  
of The Year**



**2007**  
The Malaysian  
Construction Industry  
Excellence Awards:  
**Contractor Award  
Grade 7**



**2005**  
Malaysia  
Corporate  
& Social  
Environment  
Responsibility  
Award



**2005**  
17th International  
Construction Award:  
**New Millennium  
Award Spain,  
Madrid**



**2004**  
KPMG  
Shareholder  
Value Awards



**2004**  
The Malaysian  
Construction Industry  
Excellence Awards:  
**Builder of The  
Year Award**



**2004**  
The Malaysian  
Construction Industry  
Excellence Project Awards:  
**Medium Scale Project  
Engineering Category**



**2004**  
Malaysia Canada  
Business Council  
Excellence Awards:  
**Industry Excellence  
for Construction  
Award**



**2003**  
SCCI Annual  
Corporate  
Report Awards:  
**Best Annual  
Report Award**



**2003**  
The Malaysian  
Construction Industry  
Excellence Project  
Awards:  
**Medium Building  
Category**



**2002**  
CIDB Builders  
Building Works  
Category Awards:  
**Institutional  
Building Project**





Annual Dinner with the theme 'Superstars'

## OUR PEOPLE, OUR 'SUPERSTARS': Talent Management and Development

At Naim, we celebrate our people and their achievements. Be it, small job milestones or triumphant achievements, our people get a share of life, grow and excel.

We recognise that our people are the backbone of our Group's success, a vital part of our journey in becoming one of Malaysia's leading developers and contractors. As such, we are committed to investment in honing our talent, developing our people and rewarding them for their efforts and initiatives. We focus on their career development plans because, as they grow, our Group grows too.

It was a whirlwind of activities for our people in the year under review, ranging from recruitment and implementation of new performance management programme to developmental initiatives participated.

Our initiatives reaffirm our commitment to make Naim **TRULY GREAT PLACE TO WORK**, taking us closer to our aspiration of becoming an **EMPLOYER OF CHOICE**.

### Human Capital Development

#### Training and Development Programmes

As part of the Group's commitment to focus on continuous development of our people, various structured training and development interventions were organised throughout the year. These training interventions were the result of a detailed training needs analysis done in an effort to close the performance gap. Combining internal and external sessions on a wide range of soft and technical skills areas, we exceed our training hours target by a whopping 116%.

Some of the training and development programmes organised were:

- Inaugural 'Team Bonding' training series held Group-wide
- HSE awareness and related training sessions
- CIDB Green Card training

- 'Train-the-Leader' Trainer session to develop a pool of in-house trainers
- Effective Interpersonal Skills
- Effective Problem Solving and Decision Making
- Fundamentals of Effective Customer Service
- GST-related workshops
- Basic First Aid and CPR Certification Course
- Occupational Safety and Health Awareness session

#### Professional Development Conferences

Our team members participated in various professional regional conferences in an effort to attain more exposure in related areas and keep abreast of the current and innovative industrial practices – such knowledge gained will undoubtedly benefit not only those who attended the conferences but also other team members through platforms such as sharing sessions.

Among the major conferences attended were:

- EPC Project Risk (Jakarta, Indonesia)
- 10th MOSPA OSH National Conference 2014 (Kuala Lumpur, Malaysia)
- 3rd Annual Global Hr Excellence Conference (Singapore)

#### Work Culture Transformation

The Group organised its Senior Management Corporate Retreat on 1 and 2 November 2014 at Damai Beach Resort, Kuching. Themed 'Cultural Transformation', the retreat focused on strategies to transform the Group's work culture towards operational excellence.

Some of the significant outcomes of the retreat were the formation of the Culture Transformation Team, cultural values to be adopted Group-wide and the appointment of Change Drivers, comprising a team of enthusiastic and innovative staff members from different divisions and departments. Such initiatives would bring us closer towards creating a top-notch workforce, at the same time providing personal enrichment to our staff.

## OUR PEOPLE, OUR 'SUPERSTARS': Talent Management and Development (continue)

### Naim Training Day

We embarked on the Naim Training Day initiative, whereby the first Thursday of every month was designated as a training day. Under this initiative, work-related training/sharing sessions, or even training sessions on areas outside the normal job scope are held by designated trainers – these trainers can comprise of heads of divisions or departments, or staff members who are expert in particular subject matters.

More importantly, the Naim Training Day has enhanced the level of management engagement with and camaraderie among our team members, a crucial factor in promoting teamwork and team spirit within the organisation.

### Board of Directors and Senior Management Retreat

With fitness being the order of the day, we organised a 'fitness cum business' retreat in Chiang Mai, Thailand in March 2015. With a unique blend of fitness activities and business plan meetings, it was indeed 'business and pleasure' at the same time, the HEALTHY way!

### Recruitment Initiatives

2014 saw the recruitment of 475 new staff for various positions within the Group.

In addition we participated in a number of career fairs in an effort to boost our talent pool:

- Borneo Career Fair in Kuching (23 February 2014)
- Sarawak Career and Training (SCaT) Fair in Kuching (15 – 16 March 2014; 7 – 8 March 2015)
- Managerial and Professional Job Fair in Kuala Lumpur (5 – 7 September 2014)
- 'Program Penempatan Pekerja AZAM' in Kuching (27 – 28 September 2014)
- GRADUAN Career Fair in Kuching (14 March 2015)
- UiTM's 'Mini Carex' in Kota Samarahan (19 March 2015)

In addition, we increased our utilisation of the social media such as 'Linkedin' to add value to our recruitment process, and commenced utilisation of the Harrison Assessment Tool, a personal profiling assessment in the recruitment for senior management positions.



Team Building & Bonding, Camp Mike

### National Talent Enhancement Programme (NTEP)

We participated in the NTEP, a programme launched by the Performance Management and Delivery Unit (PEMANDU), a unit under the Prime Minister's Department and in collaboration with the Workforce Development Unit of the Sarawak Chief Minister's Department, which was designed to accelerate the development of skilled workers in Malaysia, with specific reference to engineering graduates as well as technical and vocational qualification holders.

Under the programme, a 12-month traineeship is provided to participants and upon completion, the trainees demonstrating good potential can be absorbed into our Group. An additional 16 degree holders participated in this programme for 2014, making up a total of 18 participants since the commencement of the programme in 2013.

This programme forms part of our recruitment and talent development initiatives now, and in the future.

### Employee Engagement and Interaction

We encourage management engagement and interaction with our team members to develop and motivate them in their work. To facilitate greater management interaction with staff and their family members, we organised the inaugural Group-wide Family Day events from November to December 2014. The events saw participation by our staff and their family members, and also our foreign workers.

Launched and commenced in Kuching, the events saw a line-up of family-oriented fun activities and competitions, and sumptuous food for all!

### Succession Planning

#### Naim Management Trainee Programme (NMTP)

The NMTP launched in 2011, is now into its fourth year of implementation. NMTP was designed to facilitate succession planning and involved the taking in of elite graduates and providing them with opportunities to learn via attachment with various departments or divisions and other relevant training interventions to groom them to become Naim's future leaders. A total of 6 candidates were selected to participate in the said programme in 2014.

This 12-month intensive programme includes both office and site attachment. Upon completion of the programme, participants are required to submit a training report on their observations, project assignment, learning points and proposals for improvement. Participants will then be assessed for their employment suitability.



## Performance Management and Talent Retention

We successfully implemented the new web-based performance management system to drive performance and productivity among our team members. This comprehensive programme aims to measure and drive human capital performance quantitatively and qualitatively, objectively reward performers and develop human capital based on specific job-related competencies. It also improves the efficiency in the conduct of appraisal/review exercises.

In addition, the formulation of a Long Term Incentive Plan (LTIP), which involves the grant of new ordinary shares to eligible staff based on various service and performance conditions is currently in the process, and details on this would be announced in due course. The implementation of the LTIP would undoubtedly add significant value in the Group's talent retention initiatives.

## Process Improvement

2014 saw the re-organisation of the Human Resources Department to facilitate greater efficiency in HR operations, especially in relation to site operations requirements. This process is part of our initiatives to facilitate operational excellence within the Group.

## Our Workforce and Workplace Diversity

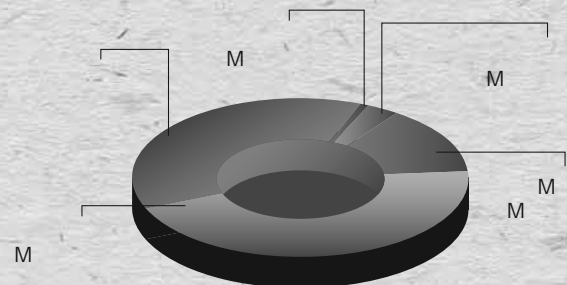
We encourage workplace diversity and provide equal opportunity for all team members – all team members regardless of age, gender, race, religion, nationality and education work in harmony and have equal opportunity to succeed.

We also believe in recruiting the best talent available and developing them to realise their full potential. As at 31 December 2014, there was a total of 911 monthly staff working at various locations, with 57% holding tertiary and technical qualifications consistent with our objective to absorb more young graduates and technically qualified persons into the workforce. Among our executive level employees, 84% possesses professional and/or postgraduate qualifications.

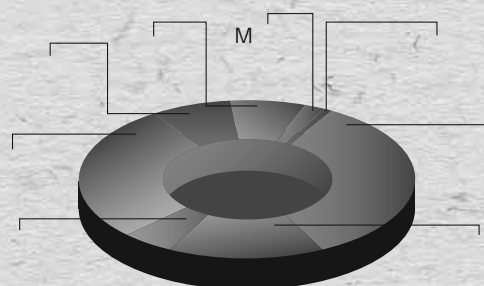
We have also increased the participation of women in our workforce, with an increase of 4% in 2014 as compared with 2013.

## Manpower Distribution by Job Category as at 31 December 2014

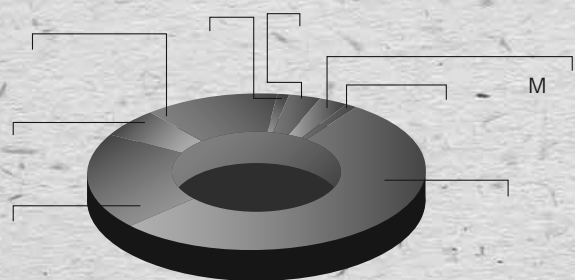
### Manpower Distribution for Monthly Paid Employees by Job Category as at 31 December 2014



### Manpower Distribution for Monthly Paid Employees as at 31 December 2014



### Manpower Distribution for Monthly Paid Employees (Executives & Above) as at 31 December 2014



### Manpower Distribution between Men and Women for Monthly Paid Employees as at 31 December 2014

