

**PJ DEVELOPMENT  
HOLDINGS BERHAD**

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

Annual Report 2008



Together We Build A  
**Brighter Future**

## Contents

2	Notice of Annual General Meeting	25	Profile of Directors
5	Statement Accompanying Notice of Annual General Meeting	29	Audit Committee Report
6	Corporate Information	34	Corporate Governance Statement
8	Chairman's Review	39	Statement on Internal Control
12	Operations Review by the Managing Director	41	Five Years Group Financial Highlights
16	Ulasan Pengerusi	42	Financial Statements
18	Ulasan Operasi dari Pengarah Urusan	124	List of Group's Top Ten Properties
21	董事主席报告	125	Analysis of Shareholdings
23	执行董事业务检讨	128	Analysis of Warrantholdings
		130	Other Information
			Form of Proxy



## Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty-Third Annual General Meeting of the Company will be held at the Hibiscus Room, Level One, Swiss-Garden Hotel Kuala Lumpur, 117 Jalan Pudu, 55100 Kuala Lumpur, Malaysia on Thursday, 27 November 2008 at 10.00 a.m. for the following purposes:

### As Ordinary Business

1. To receive, consider and adopt the Report of the Directors and Audited Financial Statements for the year ended 30 June 2008 together with the Report of the Auditors thereon. (RESOLUTION 1)
2. To declare a first and final dividend of 5% less tax for the year ended 30 June 2008. (RESOLUTION 2)
3. To re-elect the following Directors who retire under the provisions of the Company's Articles of Association, and who, being eligible, offer themselves for re-election:
  - (a) Mohamed Zain bin Mohamed Yusoff (RESOLUTION 3)
  - (b) Au Chun Choong (RESOLUTION 4)
4. To approve the payment of Directors' fees of RM76,000 for the year ended 30 June 2008. (RESOLUTION 5)
5. To re-appoint Messrs BDO Binder as Auditors of the Company and to authorise the Directors to fix their remuneration. (RESOLUTION 6)
6. To transact any other ordinary business of which due notice shall have been given.

### As Special Business

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

#### Ordinary Resolution 1

Authority To Issue Shares Pursuant To Section 132D Of The Companies Act, 1965.

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

#### Ordinary Resolution 2

Proposed New And Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature.

"THAT, subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiaries and associates shall be mandated to enter into the category of Recurrent Transactions of a revenue or trading nature which are necessary for their day-to-day operations and with those related parties as specified in Section 2.1.3 (ii) of the Circular dated 31 October 2008 subject further to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public; and

- (b) disclosure is made in the Annual Report of a breakdown of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year, amongst others, based on the following information:
- (i) the type of the Recurrent Transactions made; and
  - (ii) the names of the related parties involved in each type of the Recurrent Transactions made and their relationship with the Company;

AND THAT such authority shall commence upon passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting at which time it will lapse, unless by a resolution passed at the meeting the authority is renewed; or
- (b) the expiration of the period within which the next Annual General Meeting after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965; or
- (c) revoked or varied by resolution passed by the shareholders in general meeting;

whichever is the earlier.

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing such documents as may be required to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

(RESOLUTION 8)

### Ordinary Resolution 3

Proposed Renewal Of Authorisation To Enable PJ Development Holdings Berhad To Purchase Its Own Shares Up To 10% Of The Issued And Paid-Up Ordinary Share Capital Of The Company Pursuant To Section 67A Of The Companies Act, 1965.

“THAT, subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares of RM1.00 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (a) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings and share premium reserves of the Company at the time of the purchase(s); and
- (c) the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder and to deal with the shares so purchased in such other manner as may be permitted by the relevant legislations and regulations.

AND THAT any authority conferred by this resolution may only continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

## Notice of Annual General Meeting

- (b) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held;  
or
- (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting;

whichever occurs first.

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company and the Listing Requirements and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities.” (RESOLUTION 9)

By order of the Board

**LEONG KENG YUEN (MIA 6090)**

**WONG TIEW KIM (MAICSA 0766807)**

Secretaries

Kuala Lumpur

31 October 2008

### Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies (but not more than two) to attend and vote in his stead. If two proxies are appointed, the number of shares each person is entitled to vote must be stated in the form of proxy. A proxy need not be a member of the Company.
2. All forms of proxy must be deposited at the Registered Office of the Company at 18th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its Common Seal or the hand of its attorney.
4. **Ordinary Resolution 1**  
This Ordinary Resolution, if passed, will empower the Directors to issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interests of the Company. This would avoid any delay and costs in convening a general meeting to specifically approve such an issue of shares. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.
5. **Ordinary Resolution 2**  
This Ordinary Resolution, if passed, will provide a new mandate for the Company and its subsidiaries and associates to enter into recurrent related party transactions with related parties in the ordinary course of business based on commercial terms which are not more favourable to the related parties than those generally available to the public which are necessary for the Group's day-to-day operations and shall lapse at the conclusion of the next Annual General Meeting unless authority for the approval is obtained from the shareholders of the Company at a general meeting.
6. **Ordinary Resolution 3**  
This Ordinary Resolution, if passed, will provide a new mandate for the Company to purchase its own shares up to 10% of the issued and paid-up ordinary share capital of the Company and shall lapse at the conclusion of the next Annual General Meeting unless authority for the approval is obtained from the shareholders of the Company at a general meeting.

## Statement Accompanying Notice of Annual General Meeting

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

- (a) Mohamed Zain bin Mohamed Yusoff
- (b) Au Chun Choong

2. Details of attendance of Directors at Board Meetings.

There were six (6) Board of Directors' meetings held during the Financial Year ended 30 June 2008. The details of the attendance of the Directors are as follows:

<b>Executive Directors</b>	<b>Attendance</b>
1. Wong Ah Chiew	6/6
2. Wong Chong Shee	6/6
3. Khor Chai Moi	6/6
4. Yap Yoon Kong	6/6
<b>Non-Executive Directors</b>	
5. Mohamed Zain bin Mohamed Yusoff	5/6
6. YM Ungku Haji Mohd Afandi bin Ungku Suleiman	6/6
7. Au Chun Choong	6/6

4. Place, Date and Time of General Meeting.

The Forty-Third Annual General Meeting of the Company will be held at the Hibiscus Room, Level One, Swiss-Garden Hotel Kuala Lumpur, 117 Jalan Pudu, 55100 Kuala Lumpur, Malaysia on Thursday, 27 November 2008 at 10.00 a.m.

5. Details of Directors who are standing for re-election.

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

## Corporate Information

### Board of Directors

1. Mohamed Zain bin Mohamed Yusoff  
*(Independent Non-Executive Chairman)*
2. Wong Ah Chiew  
*(Managing Director)*
3. Wong Chong Shee  
*(Deputy Managing Director)*
4. Khor Chai Moi  
*(Executive Director)*
5. Yap Yoon Kong  
*(Executive Director)*
6. YM Ungku Haji Mohd Afandi bin Ungku Suleiman  
*(Independent Non-Executive Director)*
7. Au Chun Choong  
*(Independent Non-Executive Director)*

### Audit Committee

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

Mohamed Zain bin Mohamed Yusoff  
*(Independent Non-Executive Director)*

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

### Secretaries

Leong Keng Yuen

Wong Tiew Kim

### Registered Office

18th Floor, Plaza OSK, Jalan Ampang  
50450 Kuala Lumpur  
Malaysia  
Tel No. : 03-2162 1111  
Fax No. : 03-2163 3336  
Website : [www.pjdh.com.my](http://www.pjdh.com.my)

### Registrars

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

### Auditors

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

### Principal Bankers

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

### Stock Exchange Listing

Main Board, Bursa Malaysia Securities Berhad

### Incorporation

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



# Chairman's Review

## Chairman's Review



### Financial Review

The Group recorded a turnover of RM680 million for the financial year under review, representing an increase of 23.8% over the previous year's turnover of RM549.4 million

The Group registered a pre-tax profit of RM122.6 million as against a pre-tax profit of RM53 million for the previous financial year. Net tangible assets per share of the Group as at 30 June 2008 was RM1.72.

For the financial year under review, the Group showed better results as compared to previous year mainly from the Property Development, Manufacturing, Hotels and Leisure divisions and associated company.

### Dividend

The Board of Directors has recommended for your approval payment of a first and final dividend of 5% less income tax per share for the financial year ended 30 June 2008.

### Outlook

The global economy is in the midst of down turn with the prospect of recessions in the USA and some of the major economies. Fortunately, the Malaysia banking system is on a sound footing and Malaysian banks do not have much exposures to the subprime mortgages. As Malaysia is an export oriented economy, the weak external demand is expected to slow our economic growth although we do not foresee a recession in the country.

On behalf of the Board of Directors, it is my pleasure to present to you the Annual Report and Audited Financial Statements of PJ Development Holdings Berhad and the Group for the financial year ended 30 June 2008.



Bukit Istana, Kuantan

Our Property Development and the Construction Divisions are directly affected by the increases in fuel and material costs which resulted in higher costs, lower margins and slowdown in sales. We have diligently planned to overcome these constraints with more aggressive marketing strategies, project implementation reviews, cashflow re-assessments and financial projections to meet the potential contingencies that may arise.

Our Cables and Concrete Products Divisions envisage the upcoming market to be challenging but we have put in place various measures to counter this. These include the upgrading of plant and machineries to meet demand, additional emphasis on the export market and development of new products to tap into high-end market such as the oil and gas sector.

The services sector is likely to grow on the back of steady domestic demand and higher tourist arrivals. The top three tourist-generating markets were Singapore, Indonesia and Thailand. Swiss-Garden International's management team who efficiently manages the Group's hotels, resorts and inns are confident that our hospitality division, complemented by the Timeshare Division, will perform well in the next financial year.

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

## Corporate Social Responsibility

PJD Group's Corporate Social Responsibility (CSR), is themed "Together We Build a Brighter Future" where all employees are encouraged to contribute ideas toward developing initiatives that can benefit the Group as well as its stakeholders. Our initiatives span across the entire Group, taking into consideration the impact of actions in all business operations.

CSR initiatives carried out include organizing several charity events, donation drives, flood relief fund raising and helping the less fortunate. We worked with several children's organisations such as the Philea Home, Yayasan Sunbeams Home and Lighthouse Children's Home, NGOs on Recycling campaigns, 'Help Save the Planet' campaigns, and 'gotong-royong' activities across the country, better waste management and pollution control engineering to compost food waste into fertilizers.

We protect the well-being of our workforce and ensure that health and safety issues are a priority for all our business operations. The Group takes into consideration stakeholders' feedback and suggestions through various avenues including our corporate website. We have also started a community portal to better serve our property owners and provide opportunities for better interaction within the community.

## Chairman's Review



Bukit Bintang Gotong Royong



Charity Visit to Yayasan Sunbeams Home

## Human Resource Development

PJD Group is passionate about developing people to achieve their full potential. We have provided training and development opportunities for all levels of employees to equip them with the capability and skills necessary to improve operational efficiency. Employees are constantly learning to upgrade their skills and their ideas are encouraged with emphasis on productivity and teamwork. The investment in training also prepares employees for career progression and succession planning in line with the Group's objective of meeting the human resource needs of the future.

Applications of Quality Management Systems are continuously practiced in the Group's operating units to enhance customer value.

Performance Management Systems are also developed to align our people with the organizational goals and objectives, as well as to implement best practices for the continuous growth of the Group.

## Acknowledgement

On behalf of the Board of Directors, I would like to express my appreciation and thanks to all our shareholders, valued customers, business associates, bankers and regulators for their contribution and support in one way or another. Our appreciation is also extended to all our employees and the Board members for their contribution and commitment.

**Mohamed Zain Bin Mohamed Yusoff**

Chairman

10 October 2008



Operations Review  
by the  
**Managing Director**

## Operations Review By The Managing Director

Putri Hartamas, Taman Putri Kulai, Johor



Sea View Tower, Harbour Place, Butterworth



### Property Development

In the financial year under review, the Property Division successfully launched SWISS-GARDEN RESIDENCES located next to our Swiss-Garden Hotel Kuala Lumpur and near to Kuala Lumpur's premier shopping and entertainment attractions. This freehold high rise development with 2 towers of 436 designer suites will be the star address for urban concept living.

At our niche development in the affluent Sri Hartamas district, our condominiums at HARTAMAS REGENCY 2 and 3-storey link homes at DUTA KENSINGTON were successfully handed over to our purchasers. DUTA KINGSBURY, a 10.17 acres freehold development is next in the pipeline.

SIARAH OAKLEAF is another niche development comprising of 2.68 acres located at Bukit Antarabangsa. Owners of these exclusive 3-storey semi detached homes totalling only 20 units will enjoy cooler air, luxurious landscaping and spacious country living.

Menara PJD is a 28-storey office tower strategically located at the bustling Jalan Tun Razak, Kuala Lumpur. This prestigious building will house corporate suites, executive suites and retail lots. The modern design, cutting-edge technology and security facilities will make this an ideal address for corporations and businesses.

A new venture in the Klang Valley is the proposed mixed development in the Cheras locality on 20.6 acres of freehold land. This development will consist of 1440 units of residence suites with shops, retail lots, office lots, education institution and a hypermarket. Located near to a proposed LRT station, this area will be equipped with a good infrastructure to further enhance the value of this development.

Our new venture in the East Coast is the recently acquired freehold land in the district of Sg. Karang, Pahang covering about 22 acres. A prime seaside area targeting holiday makers, this development will consist of semi-detached homes, bungalows and 10-storey service apartments fronting the sea and a lagoon.

Complementing our land bank in Kuantan for the financial year under review is 1000 acres in the district of Penor, Pahang, approximately 16 km from Kuantan town. This development is in its preliminary stages of planning and is expected to form a new township in the area.

Down south at Taman Putri Kulai, Johor we have launched PUTRI HARTAMAS, a 30 acres freehold development consisting of 2-storey terrace homes, 2-storey cluster homes and 2-storey semi-detached homes and also MONT' CALLISTA, a 35 acres land near Taman Universiti, district of Pulai, Johor with development of luxury semi-detached residences.

The division will continue to focus on the successful sales of our properties and handover of quality homes to our valued purchasers. We will endeavour to upgrade our project management and property management services as value-added services that are synergistic to our operations.

Having achieved certification of MS ISO 9001:2000 in 2007, the management is committed to and has placed great emphasis on the quality management system. Control strategies are in place to ensure that actual performance meets or exceeds targets set. Customer inputs are also considered when reviewing and improving the current processes. Assessment under the Construction Quality Assessment System (CONQUAS) has also been employed to monitor the quality of building works undertaken by the Group.

## Construction

In the financial year under review, the Construction Division registered higher revenue but lower pre-tax profits. The impact of unprecedented escalation in building material costs and wages caused the decline in pre-tax margins for the year. The challenging environment for the sector is expected to continue in the coming year. Nevertheless, we have engaged in constructive discussions and negotiations with clients to mitigate the impact of the costs escalation and to counter any further increase in prices of raw materials.

The operations in Thailand experienced the same challenges. We successfully delivered a project during the period and are expecting to deliver the second project in November 2008. The uncertainty in the political landscape is being assessed closely and the division is strategizing on actions to mitigate any impact of changes that may arise.

The construction sector faced the most intense of challenges in the year under review and the division has since introduced strategies and procedures in the quest to strengthen and sustain its competencies. The division continues to emphasise on timely and quality delivery, safety & health and environment awareness to meet new expectations.



## Operations Review By The Managing Director



Power Cables

### Cables

For the financial year under review, the Cables Division continued to perform better than the last financial period. The division showed an improvement in profit due to the strong demand in the domestic market and favourable acceptance of the new range of fire resistance cables. However, our investment in Vietnam has not been contributing as production commenced only in the last quarter and the local market conditions have turned much weaker since.

For the coming financial year, some slowdown is expected and under such circumstances, performance will be affected. In our efforts to minimise the impact of the weakening domestic market, we have stepped-up our marketing activities for export.

The Vietnam venture is largely for longer term investment to participate in the growing demand for infrastructural development in the region. We are in the process of upgrading the plant to enhance the product range and capacity. It is expected that this will be completed in the third quarter of the current financial year and we should be able to see positive contribution from this point.

The division is continuously embarking on new product development to tap into high-end products particularly in the oil and gas sector. New facilities will be added progressively to enhance our capability and more resources will be utilized for research & development to sustain longer-term growth.



Concrete Wall Panels

### Building Materials

During the financial year under review, the pre-cast concrete manufacturing and building materials trading divisions were re-structured for better operating synergy and efficiency. The newly consolidated Building Materials Division is housed under the subsidiary, PJDCP Malta Sdn Bhd (formerly known as PJD Concrete Products Sdn Bhd).

The pre-cast concrete manufacturing operations reported better results despite escalating raw materials cost. Given the strong demand for our products, plant capacity utilisation has improved and led to better economies of scale. The building materials trading operations was able to sustain its performance despite lower trading margins.

Looking forward, we will continue to explore new markets, widen products range and institute stringent cost control to ensure better performance in the coming financial year.



The Flavours Restaurant, Swiss-Garden Hotel Kuala Lumpur

## Hotels & Leisure

The Swiss-Garden International Hotels, Resorts & Inns Division recorded another year of growth with net operating profits. The better performance was achieved through good yield management and cost saving initiatives in all the properties.

Swiss-Grand Hotel at Bondi beach in Sydney, which was owned by our associate company was sold in November 2007. In March 2008, Garden-Lodge (formerly known as Palm Court Motor Inn) located in downtown Sydney, a 32-room property was purchased by our subsidiary company, P.J. (A) Pty Limited. Our local properties, Swiss-Garden Hotel Kuala Lumpur and Swiss-Garden Resort & Spa Kuantan were renovated to meet guests' expectations and needs. Swiss-Inn Kuala Lumpur also added 45 rooms to its inventory during the financial period under review.

With Tourism Malaysia's projected increase of tourist arrivals to 23 million in 2008 and the completion of upgrading at Swiss-Garden Golf Resort & Spa Damai Laut before the year end 2008, the outlook is positive as growth in the hospitality industry is envisaged. Barring any adverse economic changes, the division is expected to perform well in the current financial year.

The year under review saw the Timeshare Division performing better, exceeding the preceding year's financial result. Our membership base has now exceeded the 10,000 mark. The results were achieved amidst economic uncertainty with the adoption of customer-focused and result-oriented sales marketing packages and promotions.

We are constantly looking for ways to improve our services to members by acquiring the right properties at popular holiday destinations and value-added tie-ups with retail outlets and companies offering promotions of products and services. Ever eager to meet the needs of our members, we have upgraded and refurbished rooms and amenities in our existing locations.

We recognize the rapid growth in the leisure industry and see much potential in its future and are confident that the division will continue to grow and contribute to the Group.

**Wong Ah Chiew**  
Managing Director  
10 October 2008

## Ulasan Pengerusi

**Bagi pihak Lembaga Pengarah, saya dengan sukacita membentangkan kepada anda Laporan Tahunan dan Penyata Kewangan yang telah diaudit bagi PJ Development Holdings Berhad dan Kumpulan bagi tahun kewangan berakhir 30 Jun 2008.**

### Ulasan Kewangan

Kumpulan telah mencatatkan perolehan sebanyak RM680 juta bagi tahun kewangan dalam kajian melambangkan peningkatan sebanyak 23.8% berbanding dengan perolehan bagi tahun lepas yang berjumlah RM549.4 juta.

Kumpulan telah mencatat keuntungan sebelum cukai sebanyak RM122.6 juta berbanding dengan RM53 juta yang dicatatkan bagi tahun kewangan sebelumnya. Aset Ketara Bersih setiap saham Kumpulan pada 30 Jun 2008 adalah RM1.72.

Bagi tahun kewangan dalam kajian, Kumpulan telah menunjukkan keputusan yang lebih baik berbanding tahun sebelumnya, terutamanya daripada bahagian Pembangunan Hartanah, Pengeluaran, Hotel dan Rekreasi dan Syarikat Bersekutu.

### Dividen

Lembaga Pengarah telah menyokong untuk mendapatkan kelulusan anda, bagi bayaran dividen pertama dan terakhir sebanyak 5% setelah ditolak cukai pendapatan sesaham bagi tahun kewangan berakhir 30 Jun 2008.

### Tinjauan

Ekonomi sejagat kini berada dalam kemerosotan dengan kemungkinan berlakunya kemelesetan ekonomi di AS dan beberapa ekonomi utama lain. Malaysia bernasib baik kerana sistem perbankan berada dalam kedudukan yang kukuh dan bank-bank Malaysia tidak mempunyai pendedahan banyak kepada gadaian subprima. Oleh kerana ekonomi Malaysia berorientasikan eksport, permintaan luar yang lemah dijangka akan melembapkan pertumbuhan ekonomi walaupun kita tidak meramalkan akan berlakunya kemelesetan dalam negara.

Bahagian Pembangunan Hartanah dan Pembinaan kami terjejas secara langsung oleh kenaikan harga minyak dan bahan mentah yang menyebabkan kos yang lebih tinggi, margin yang lebih rendah dan aktiviti jualan hartanah menjadi perlahan. Kami telah merancang dengan teliti untuk mengatasi sekatan-sekatan ini dengan mengemukakan strategi pemasaran, kajian pelaksanaan projek, penilaian semula aliran tunai dan anggaran kewangan yang lebih agresif untuk berhadapan dengan sesuatu kemungkinan yang akan berlaku.

Bahagian Kabel dan Produk Konkrit kami membayangkan pasaran masa akan datang yang mencabar tetapi kami telah mengambil pelbagai langkah untuk bertindak balas terhadap situasi ini. Ini termasuk penaikan taraf kilang dan jentera untuk memenuhi permintaan, penitiberatan yang lebih ke atas pasaran eksport dan perkembangan produk baru untuk memasuki pasaran atasan seperti sektor minyak dan gas.

Sektor perkhidmatan berkemungkinan meningkat dengan sokongan permintaan tempatan yang teguh dan kedatangan pelancong. Tiga negara yang menjana bilangan pelancong paling tinggi ialah Singapura, Indonesia dan Thailand. Pasukan pengurusan Swiss-Garden International yang menguruskan dengan berkesan, hotel, resorts dan inns kumpulan yakin bahawa bahagian hospitaliti, yang diiringi oleh bahagian Perkongsian Masa, akan menunjukkan prestasi yang baik pada tahun kewangan berikutnya.

Kecuali jika berlakunya sebarang perkembangan dalam keadaan ekonomi umum yang tidak diinginkan, Lembaga Pengarah berpendapat bahawa operasi Kumpulan akan terus berjalan secara munasabah bagi tahun kewangan yang akan datang ini.

## Tanggungjawab Sosial Korporat

Program Tanggungjawab Sosial Korporat (CSR) Kumpulan PJD yang diberi tema “Bersama-sama Kita Membina Masa Depan yang Lebih Cerah” (“Together We Build a Brighter Future”) dimana semua kakitangan digalakkan untuk menyumbang buah fikiran ke arah membina inisiatif yang boleh dimanfaatkan oleh Kumpulan serta pemegang kepentingannya. Inisiatif kami merangkumi keseluruhan kumpulan, dengan mengambil kira kesan tindakan dalam semua operasi perniagaan.

Inisiatif CSR yang dijalankan termasuk menganjurkan beberapa acara amal, kempen sumbangan, mengumpul dana untuk mangsa banjir, dan membantu mereka yang kurang bernasib baik. Kami telah bekerjasama dengan beberapa pertubuhan kanak-kanak seperti Philea Home, Yayasan Sunbeams Home dan Lighthouse Children’s Home, organisasi bukan Kerajaan (NGO) untuk kempen Kitar Semula, “Bantu Selamatkan Planet” (“Help Save the Planet”) dan juga aktiviti gotong-royong di seluruh negara, pengurusan sampah dan kejuruteraan kawalan pencemaran yang lebih baik untuk menukarkan sisa makanan menjadi baja kompos.

Kami melindungi kesejahteraan tenaga kerja kami dan memastikan isu kesihatan dan keselamatan diberi keutamaan bagi semua operasi perniagaan kami. Kumpulan mengambil kira maklum balas dan cadangan pihak berkepentingan menerusi pelbagai saluran termasuk laman web korporat. Kami juga telah memulakan portal komuniti untuk memberikan perkhidmatan yang lebih baik kepada pemilik hartanah kami dan menyediakan peluang bagi interaksi yang lebih baik dalam komuniti tersebut.

## Pembangunan Sumber Manusia

Kumpulan PJD penuh semangat kearah membangunkan warga kerja untuk mencapai potensi sebenar mereka. Kami telah menyediakan latihan dan peluang pembangunan untuk kakitangan semua peringkat. Ini adalah untuk melengkapkan

mereka dengan keupayaan dan kemahiran yang diperlukan supaya meningkatkan kecekapan operasi. Kakitangan sentiasa belajar untuk meningkatkan kemahiran dan idea-idea mereka digalakkan dengan penegasan pada produktiviti dan kerja berpasukan. Pelaburan dalam latihan juga menyediakan kakitangan ke arah kemajuan kerjaya dan rancangan perwarisan sejajar dengan objektif Kumpulan dalam memenuhi keperluan sumber manusia di masa hadapan.

Aplikasi Sistem Pengurusan Berkualiti diamalkan secara berterusan dalam unit operasi Kumpulan untuk meningkatkan nilai pelanggan.

Sistem Pengurusan Prestasi juga dibangunkan untuk menyelaraskan warga kerja kami dengan matlamat dan objektif organisasi, di samping untuk melaksanakan amalan terbaik untuk pertumbuhan berterusan Kumpulan.

## Penghargaan

Bagi pihak Lembaga Pengarah, saya ingin menghulurkan penghargaan dan mengucapkan terima kasih saya kepada semua pemegang saham, pelanggan yang dihargai, rakan perniagaan, pihak bank, agensi-agensi kerajaan dan pihak berkuasa terhadap sumbangan dan sokongan mereka dalam apa jua cara. Saya juga ingin menghulurkan penghargaan kepada semua kakitangan kami dan ahli Lembaga Pengarah kerana sumbangan dan komitmen mereka.

**Mohamed Zain Bin Mohamed Yusoff**

Pengerusi

10 Oktober 2008

## Ulasan Operasi Dari Pengarah Urusan

### Pembangunan Hartanah

Pada tahun kewangan dalam kajian Bahagian Pembangunan Hartanah telah berjaya melancarkan SWISS-GARDEN RESIDENCES yang terletak bersebelahan dengan hotel kami Swiss-Garden Hotel Kuala Lumpur dan juga berdekatan dengan pusat membeli-belah dan pusat hiburan utama yang menarik di Kuala Lumpur. Pembangunan pencakar langit pegangan bebas ini dengan 2 menara yang mempunyai 436 buah bilik suite pereka akan menjadi lambang utama kehidupan berkonsepkan bandar.

Di pembangunan khas kami di kawasan Sri Hartamas yang mewah, kondominium kami di HARTAMAS REGENCY 2 dan rumah teres 3 tingkat di DUTA KENSINGTON telah berjaya diserahkan kepada pembeli-pembeli rumah. DUTA KINGSBURY, sebuah pembangunan pegangan bebas seluas 10.17 ekar adalah projek berikut yang akan diusahakan.

SIARAH OAKLEAF adalah satu lagi lokasi pembangunan khas yang merangkumi kawasan seluas 2.68 ekar di Bukit Antarabangsa. Pemilik rumah berkembar eksklusif 3 tingkat yang berjumlah hanya 20 unit ini akan menikmati udara sejuk dan nyaman, landskap yang indah dan mewah serta kehidupan gaya desa yang luas.

Menara PJD ialah sebuah menara pejabat 28 tingkat yang terletak amat strategik di Jalan Tun Razak yang penuh dengan kesibukan di Kuala Lumpur. Bangunan berprestij ini akan menempatkan bilik suite korporat, bilik suite eksekutif dan ruang peniagaan. Reka bentuk moden dengan teknologi terkini dan juga kemudahan keselamatan akan menjadikannya satu tempat ideal bagi perbadanan dan perniagaan.

Satu usaha niaga baru di Lembah Kelang ialah cadangan pembangunan campuran di Cheras di atas tanah pegangan bebas seluas 20.6 ekar. Pembangunan ini akan merangkumi 1440 unit bilik suite kediaman dengan kedai, ruang perniagaan dan pejabat, institusi pendidikan dan pasar raya besar. Terletak berdekatan dengan sebuah stesen LRT dalam cadangan, kawasan ini akan dilengkapi dengan infrastruktur yang baik untuk meningkatkan lagi nilai pembangunan ini.

Usaha niaga kami yang baru di Pantai Timur adalah tanah pegangan bebas yang baru sahaja diperolehi di daerah Sg. Karang, Pahang yang merangkumi kawasan seluas lebih kurang 22 ekar. Terletak di kawasan tepi pantai utama yang menasarkankan pelancong, pembangunan ini akan merangkumi rumah berkembar, banglo dan pangsapuri servis 10 tingkat yang berhadapan dengan lautan dan lagun.

Yang melengkapi bank tanah kami di Kuantan bagi tahun kewangan dalam kajian ialah tanah seluas 1000 ekar di daerah Penor, Pahang, lebih kurang 16 km dari bandar Kuantan. Pembangunan ini masih lagi dalam peringkat awal perancangan dan dijangka akan membentuk satu perbandaran di kawasan tersebut.

Di sebelah selatan di Taman Putri Kulai, Johor, kami telah melancarkan PUTRI HARTAMAS, sebuah projek pembangunan pegangan bebas seluas 30 ekar yang terdiri daripada rumah teres 2 tingkat, rumah kediaman berkelompok 2 tingkat dan rumah berkembar 2 tingkat, serta MONT' CALLISTA diatas sebidang tanah seluas 35 ekar berdekatan Taman Universiti di daerah Pulai, Johor, dengan pembangunan kediaman rumah berkembar mewah.

Bahagian ini akan terus menumpukan kepada jualan hartanah dan penyerahan rumah berkualiti kami kepada pembeli yang kami hargai. Kami akan berusaha untuk meningkatkan perkhidmatan pengurusan projek dan pengurusan hartanah sebagai perkhidmatan tambah nilai yang bersinergi dengan operasi kami.

Setelah mendapat pengiktirafan MS ISO 9001:2000 pada tahun 2007, pihak pengurusan amat komited kepada sistem pengurusan berkualiti dan memberikan perhatian yang berat kepada sistem ini. Strategi kawalan telah diatur dengan baik untuk memastikan prestasi sebenar memenuhi atau melebihi sasaran yang ditetapkan. Input pelanggan juga diambil kira semasa mengkaji semula dan meningkatkan proses semasa. Penilaian di bawah Sistem Penilaian Kualiti Pembinaan (CONQUAS) juga telah digunakan untuk memantau kualiti kerja pembinaan yang telah dijalankan oleh kumpulan.

## Pembinaan

Pada tahun kewangan dalam kajian, Bahagian Pembinaan telah mencatat hasil yang lebih tinggi tetapi keuntungan sebelum cukai yang lebih rendah. Akibat daripada kesan kenaikan kos bahan mentah dan upah yang sangat tinggi yang tidak pernah terjadi sebelum ini, margin sebelum cukai untuk tahun tersebut telah menurun. Persekitaran yang sungguh mencabar untuk sektor ini dijangka akan berterusan pada tahun yang akan datang. Walau bagaimanapun, kami telah melibatkan diri dalam perbincangan dan perundingan konstruktif dengan pelanggan untuk mengurangkan kesan kenaikan kos yang tinggi dan untuk mengatasi kenaikan lebih tinggi harga bahan mentah.

Operasi di Thailand telah mengalami cabaran yang sama. Kami telah berjaya menyiapkan sebuah projek sepanjang tempoh ini dan menjangka akan menyiapkan projek yang kedua pada bulan November 2008. Ketidakpastian dalam arena politik Thailand sedang dikaji dengan teliti dan Bahagian ini sedang merancang strategi ke atas tindakan yang boleh diambil untuk mengurangkan sebarang kesan perubahan yang mungkin berlaku.

Sektor pembinaan menghadapi cabaran yang paling hebat pada tahun dalam kajian dan sejak itu, Bahagian ini telah memperkenalkan strategi dan tatacara dalam usaha untuk memperkukuhkan dan memapankan kecekapannya. Bahagian ini juga terus memberi penekanan ke atas penyerahan yang tepat pada masa dan berkualiti, keselamatan dan kesihatan serta kesedaran persekitaran untuk memenuhi harapan baru.

## Kabel

Pada tahun kewangan dalam kajian, Bahagian Kabel terus menunjukkan prestasi yang lebih baik berbanding tahun kewangan yang lepas. Bahagian ini juga menunjukkan peningkatan dalam keuntungan disebabkan permintaan yang teguh dalam pasaran tempatan dan penerimaan oleh pasaran yang memberangsangkan pelbagai jenis kabel ketahanan api yang baru. Walau bagaimanapun, pelaburan kami di Vietnam tidak memberi sebarang sumbangan sehingga kini kerana pengeluaran hanya bermula pada suku akhir tahun kewangan dalam kajian dan keadaan pasaran tempatan telah menjadi sangat lemah sejak itu.

Bagi tahun kewangan berikutnya, keadaan dijangka akan menjadi sedikit lembab dan dalam keadaan seperti itu, prestasi akan terjejas. Dalam usaha untuk meminimumkan kesan pasaran tempatan yang semakin lemah, kami telah meningkatkan aktiviti pemasaran kami untuk dieksport.

Usaha niaga di Vietnam adalah sebahagian besarnya bagi pelaburan jangka panjang untuk menyertai dalam permintaan yang semakin meningkat bagi pembangunan infrastruktur dalam wilayah ini. Kami sedang dalam proses menaik taraf kilang untuk meningkatkan kepelbagaian dan kapasiti produk. Adalah dijangkakan bahawa projek akan disiapkan pada suku akhir ketiga tahun kewangan semasa dan kami akan dapat melihat sumbangan yang positif selepas itu.

Bahagian ini secara berterusan menjalankan pembangunan produk baru untuk memasuki pasaran produk lebih canggih terutamanya dalam sektor minyak dan gas. Kemudahan baru akan ditambah secara progresif untuk meningkatkan keupayaan kami dan lebih banyak sumber akan digunakan untuk penyelidikan & pembangunan supaya dapat mengekalkan pertumbuhan dalam jangka masa lebih panjang.

## Bahan Pembinaan

Pada tahun kewangan dalam kajian, Bahagian Perkilangan Konkrit tuang siap dan Perdagangan Bahan Pembinaan telah disusun semula untuk memperolehi sinergi dan kecekapan operasi yang lebih baik. Bahagian Bahan Pembinaan yang baru sahaja disatukan telah ditempatkan di bawah anak syarikat Kumpulan, PJDCP Malta Sdn Bhd (dahulunya dikenali sebagai PJD Concrete Products Sdn Bhd).

Operasi perkilangan konkrit tuang siap telah mencatatkan hasil yang lebih baik walaupun harga bahan mentah melambung tinggi. Memandangkan permintaan kukuh terhadap produk kami, penggunaan kapasiti kilang telah meningkat dan membawa kepada ekonomi skala yang lebih baik. Operasi perdagangan bahan pembinaan berupaya mengekalkan prestasinya walaupun margin perdagangan telah turun.

## Ulasan Operasi Dari Pengarah Urusan

Memandang ke hadapan, kami akan terus menerokai pasaran-pasaran baru, mempelbagaikan produk-produk dan kawalan kos yang ketat bagi menjamin prestasi lebih baik dalam tahun kewangan akan datang.

### Hotel & Rekreasi

Bahagian Swiss-Garden International Hotel, Resorts & Inns mencatatkan peningkatan dalam satu lagi tahun dengan untung kendalian bersih. Prestasi yang lebih baik telah dicapai menerusi pengurusan hasil yang baik dan inisiatif penjimatan kos bagi semua rangkaian hotel, resorts dan inns kami.

Swiss-Grand Hotel di pantai Bondi di Sydney, yang dimiliki oleh syarikat bersekutu kami telah dijual pada bulan November 2007. Pada bulan Mac 2008, Garden-Lodge (dahulunya dikenali sebagai Palm Court Motor Inn) yang terletak dipusat bandar Sydney, satu hartanah 32 bilik telah dibeli oleh anak syarikat kami, P.J. (A) Pty Limited. Hartanah tempatan kami, Swiss-Garden Hotel Kuala Lumpur dan Swiss-Garden Resort & Spa Kuantan telah diubah suai untuk memenuhi permintaan dan keperluan tetamu kami. Swiss-Inn Kuala Lumpur juga telah menambah 45 buah bilik kepada inventornya semasa tempoh kewangan dalam kajian.

Dengan anggaran peningkatan kedatangan pelancong kepada 23 juta pada tahun 2008 oleh Tourism Malaysia dan lengkapnya pengubahsuaian di Swiss-Garden Golf Resort & Spa Damai Laut sebelum berakhirnya tahun 2008, prospek adalah positif justeru jangkaan peningkatan dalam industri hospitaliti. Kecuali berlakunya perubahan ekonomi yang merundum, bahagian ini dijangka akan menunjukkan prestasi yang baik pada tahun kewangan semasa.

Pada tahun dalam kajian Bahagian Perkongsian Masa menunjukkan prestasi yang lebih baik, melebihi hasil kewangan tahun sebelumnya. Jumlah keahlian kami kini telah melebihi 10,000. Keadaan ini telah dicapai di sebalik ketidakpastian ekonomi dengan adanya penawaran pakej dan promosi yang mengutamakan pelanggan dan berorientasikan keadaan.

Kami sentiasa mencari peluang untuk meningkatkan perkhidmatan kami kepada ahli-ahli dengan memperoleh hartanah yang bersesuaian di destinasi percutian yang popular dan menjana ekonomi dengan perniagaan-perniagaan dan syarikat-syarikat yang menawarkan promosi produk dan perkhidmatan. Dengan semangat yang ingin memenuhi keperluan ahli-ahli kami, syarikat kami telah menaik taraf dan mengubah suai serta menambah pulih bilik dan kemudahan di lokasi-lokasi sedia ada kami.

Kami mengakui perkembangan yang pesat membangun dalam industri rekreasi dan mendapati banyak potensi di masa akan datang. Kami yakin bahagian ini akan terus meningkat dan memberi sumbangan yang memberangsangkan kepada Kumpulan.

### **Wong Ah Chiew**

Pengarah Urusan  
10 Oktober 2008

## 董事主席报告

本人欣然代表董事局，提呈辟捷发展控股有限公司 (PJ Development Holdings Berhad) 集团，截至2008年6月30日财政年度的常年报告及经审核财务报告。

### 财务汇报

本集团在此财政年度，创下总计6亿8千9百万令吉的营业额；比前财政年度的5亿4千9百40万令吉增加了23.8%。

集团的税前盈利为1亿2千2百60万令吉；而前财政年度的税前盈利则为5千3百万令吉。截至2008年6月为止，本集团的每股净有形资产为1.72令吉。

集团在受检讨的财政年度里表现比前财政年度佳，较好的业绩主要来自产业发展、制造业、酒店及休闲组及企业联营公司。

### 股息

董事局建议截至2008年6月30日财政年度派发5%每股需扣所得税的首期及终期股息，此建议有待股东批准。

### 展望

面对美国及一些主要经济体可能面临经济萧条情况之下，全球经济正在下滑中。幸运的是，马来西亚的银行系统拥有稳健的基础，我国银行并未涉足过多次级抵押贷款活动。虽然我们预测马来西亚不会面临经济萧条，可是由于马来西亚的经济以出口企业为导向，疲弱的国外市场需求预料将减缓我们的经济成长走势。

我们的产业发展及建筑组直接受到汽油及原料成本涨价的影响，导致成本提高、利润下跌及销售放缓。我们努力策划以克服这些局限，如推行更积极的市场策略；检讨工程进展；重新评估现金流转的情况；并预测财务进展以做好准备，应付可能出现的紧急状况。

电缆及混凝墙板组预估在接下来的日子里，市场将会更具挑战性；不过我们已经准备好各种应对措施。这些措施包括为提升工厂及机器以应付需求；进一步地着重于出口市场；及发展新产品以打入较高档的市场，如石油燃气业。

稳健的国内需求，加上外国旅客人数的增加，让服务业有望增长。新加坡、印尼和泰国是3大主要外国旅客客源市场。有效经营集团属下酒店、度假村及旅馆的瑞园国际 (Swiss-Garden Internatioanl) 管理层有信心，在时光分享组配合与支援下，酒店管理组将会在下个财政年度有良好表现。

除了整体上经济条件的不利发展，董事局认为，在来临的财政年度里，集团的营运将持续有令人满意的表现。

## 董事主席报告

### 企业社会责任

辟捷发展集团的企业社会责任（CSR）主题是，“共同建立光明的未来”（Together We Build a Brighter Future），我们鼓励所有雇员集思广益，贡献他们的创见，推展能让集团及利益相关者受惠的行动计划。我们的创举横跨整个集团，并考虑到活动计划可能带给所有业务运作的影响。

已执行的企业社会责任行动计划包括主办数个慈善活动、募款行动、筹募水患救灾基金及协助较不幸人士等。我们与多个慈善团体合作，诸如Philea Home、Yayasan Sunbeams Home 及 Lighthouse Children's Home等数个儿童机构、推动再循环活动的非政府组织，及参与各种计划，如‘救救地球’（Help Save the Planet）运动，及全国各地的‘互助合作’（gotong-royong）活动，以较完善的废物管理系统及控制污染工程，把食余残渣转换成堆肥。

我们维护雇员的福利，确保雇员的健康与安全是我们所有业务优先关注的事项。本集团关注利益相关人士透过各种管道 - 包括企业网页 - 提出的回馈与建议。我们也开展了一个社群网站，以更好地为向本公司购买产业的业主提供服务，并提供机会让各社群的成员达到更好的互动交流。

### 人力资源发展

辟捷发展集团致力于培训雇员，让他们得以充分地发挥个人潜能。我们为所有阶层的雇员提供培训与发展机会，让他们获得所需的能力与技能，以提高经营效率。雇员们不断地学习以提升个人的技能，我们鼓励他们发表自己的想法，特别是与生产力及团队合作有关的看法。培训方面的投资也帮助雇员做好准备，在事业上更上一层楼；同时有助于配合集团为达到未来人力资源需求的目标，作好人事更替的规划。

本集团的营运小组持续应用企业管理系统，以提升客户价值。

我们也开发业绩管理系统，让全体员工致朝向组织的宗旨与目标，并达到最佳表现，使集团得以继续成长。

### 鸣谢

本人谨代表董事局，向所有的股东、我们尊贵的客户、商业伙伴、银行及执法机构人员表示感激，谢谢他们的贡献和支持。我们也要感谢所有雇员和董事局成员的付出及献身精神。

董事主席

**Mohamed Zain Bin Mohamed Yusoff**

2008年10月10日

## 执行董事业务检讨

### 产业发展

在受检讨的财政年度里，产业组成功推介坐落于吉隆坡瑞园酒店隔邻，靠近吉隆坡主要购物及娱乐景点的Swiss-Garden Residences。Swiss-Garden Residences 是由两栋高楼436间设计家概念公寓组成，公寓业主享有永久拥有权。Swiss-Garden Residences 将是都市概念生活的星级指标。

我们在Sri Hartamas这个高档区的发展项目 - Hartamas Regency 2的公寓及Duta Kensington的3层楼排屋，已成功交屋给购买者。紧接着接下来会进行的永久地契发展计划，是占地10.17英亩的Duta Kingsbury。

另一项产业发展计划是坐落于国际山庄（Bukit Antarabangsa），占地2.68英亩的Siarah Oakleaf。Siarah Oakleaf只建有20个单位，这些3层楼半独立式高级洋房的屋主可享受清凉的空气、豪华景观及宽敞舒适的田园生活。

Menara PJD 位于吉隆坡市内熙攘繁忙的敦拉萨路，是地点适中的28层办公大楼。这座享誉盛名的大厦内部将有企业套房、行政套房及零售单位。拥有现代化设计、先进科技及保安设备，将是企业及商业运作的理想地点。

本集团在巴生谷的一项新投资项目，是拟议中在蕉赖区占地20.6英亩永久地契土地上的混合发展计划。这项发展计划将包含1440间公寓套房、商店、零售店、办公室、教育机构及一间霸级市场。此发展计划的地点靠近拟议中的轻快铁路，这个地区将会有良好的基础设施，使这项发展计划进一步增值。

在东海岸，我们的新发展项目是我们最近购入，位于彭亨州双溪加冷（Sg. Karang），面积约22英亩的永久地契土地。坐落于第一流的海边地带，此发展计划的目标群锁定为到来度假的人士，发展项目将涵括半独立式洋房、独立洋房及一栋向着海和泻湖的10层楼管理式服务公寓。

在本财政年度里，我们在彭亨州关丹的地产新加入位于距离关丹市约16公里的本诺区（Penor）的一块1000英亩土地。此发展项目目前正进行最初阶段的策划，它将为这个地区带来一座新城镇。

把焦点转向南部，在柔佛州的古来公主城（Taman Putri Kulai），我们推介了金碧苑（Putri Hartamas），一项占地30英亩的永久地契发展计划。此发展计划涵括2层楼排屋、2层楼集结式房屋及2层楼半独立式洋房。我们也推介了毗邻莱大学城（Taman University）的嘉丽臺山莊（Mont' Callista），占地35英亩的豪华半独立式洋房发展计划。

产业发展组将继续把焦点放在产业的销售，及向我们尊贵的购业者交上优质的房屋。我们将配合我们的业务运作，致力于提升作为附加增值服务的的项目管理及产业管理服务。

随着我们在2007年获得MS ISO 9001:2000证书，管理层对品质有所承诺，并极注重品质管理系统。我们推行品质控制策略，以确保实际表现能达到或超越设下的目标。在检讨及改善现有程序时，我们也采取客户给予的意见和建议。此外，我们也采用建筑品质评定系统（CONQUAS），以监管集团旗下建筑工程的品质。

### 建筑

在本财政年度中，建筑组取得较高的营业额，但较低的税前盈利。建筑材料成本及工资前所未有地飙升，其带来的冲击造成本财政年度税前利润下滑。预料在来年里这行业将继续面对挑战。无论如何，我们已经与客户进行建设性的讨论与磋商，寻求方案减轻成本飙升所带来的冲击，及应对原料价格若进一步上涨带来的问题。

我们在泰国的业务也面对相同的挑战。我们在本财政年度期间，成功移交第一项工程；我们预期将在2008年11月移交第二项工程。建筑组密切留意及评估该国不稳定的政治局势，研究适当的策略，以采取必要行动缓和可能出现的变动所造成的冲击。

建筑组在本财政年度面对最严峻的挑战。为了加强及维持本组的胜任能力，建筑组已引介适当的策略及步骤。为达到新的期望，建筑组继续强调准时完成任务、保持工作的品质，以及维持安全、健康与环境的醒觉。

## 执行董事业务检讨

### 电缆

在受检讨的财政年度里，电缆组的表现继续比上个财政年度优异。由于国内市场的高需求量，及市场对新产品具防火性能的电缆有良好的接受度，电缆组的盈利因而获得提升。不过，我们在越南的投资却尚未有贡献。该地的生产量是在本财政年度的最后一季才开始，而且自此之后当地的市场条件也大幅度趋弱。

在来临的财政年度里，我们预期发展会趋缓；在此情况下，表现将受到影响。以将国内市场趋弱的冲击减至最低，我们已加强出口市场的销售活动。

在越南的投资是长期性质，以期在越南域基础设施发展需求日益增长的环境中，分得一杯羹。我们目前正为工厂进行提升活动，以提高产品种类及产量。我们预期提升计划将在当今的财政年度的第三季完成，之后我们应能看到它带来的正面成果。

电缆组持续开发新产品，以打入高档产品市场，特别是石油燃气领域。我们将积极添加新设施，以加强我们的生产力；更多资源将会应用来进行研究与发展，确保我们能持续的成长。

### 建筑材料

在受检讨的财政年度，我们重组了预制混凝土制造组及普通建筑材料贸易组，以在营运协同及效率方面，获得更突出的表现。新整合的建筑材料组，附属于集团子公司PJDCP Malta Sdn Bhd（前称PJD Concrete Products Sdn Bhd）。

尽管原料成本提高，预制混凝土制造业务依然创下更好的业绩。由于市场对我们产品的强劲需求，工厂的生产利用率获得提升，带来最佳的规模效益。尽管贸易盈余下跌，建筑材料贸易业务仍得以维持其营业表现。

放眼未来，我们将继续开拓新市场；扩大产品种类；及制定更严格的成本控制，以确保我们在来临的财政年度有更优良的表现。

### 酒店及休闲

瑞园国际酒店、度假村及旅馆组创下又一年的营业净利成长。在所有产业下实施良好的回酬管理及成本节约行动，是带来更好表现的关键因素。

原属本集团联营公司拥有的悉尼邦迪海滩（Bondi beach）的 Swiss-Grand Hotel，已在2007年11月售予他人。2008年3月，我们的子公司 - P.J. (A) Pty有限公司 - 收购了位于悉尼商业区，拥有32间客房的 Garden-Lodge（前称Palm Court Motor Inn）。为了达致住客的期望及需求，我们重新装修本组在国内的产业 - 吉隆坡瑞园酒店及关丹瑞园度假村。在受检讨的财政年度期间，吉隆坡瑞园旅馆也添加了45间客房。

马来西亚旅游局预测，2008年的到访旅客将增加至2千3百万。另一方面，Damai Laut瑞园高尔夫球度假村在2008年结束之前已完成了提升活动。因此，我们有正面的展望，期待旅游接待业将会继续成长。排除可能发生的不利经济变化，酒店及休闲组预料将在当今的财政年度里有良好的表现。

时光分享组在受检讨的财政年度里表现更佳，超越了前一年的财务业绩。我们的会员人数目前已超越1万大关。在当前充满变数的经济环境下，我们仍然达到如此佳绩。这全有赖于本组以客户为焦点，以业绩为导向的市场销售配套及促销活动。

我们不停地探寻改进对会员服务的方案，在热门的旅游地点收购适合的产业，与零售商店和公司建立增值合作关系，为会员提供产品及服务优惠。我们热切地期望能照顾到会员的需求，为此，我们提升及整修了现有产业的客房设施。

我们意识到休闲领域的快速成长，也看到这行业在未来的无限潜能。我们有信心，酒店及休闲组将继续成长，为集团作出贡献。

执行董事

**Wong Ah Chiew**

2008年10月10日

## Profile of Directors

Encik Mohamed Zain bin  
Mohamed Yusoff  
a Malaysian, aged 63.

He joined the Board of Directors of the Company on 26 August 2005 as an Independent Non-Executive Director. He was appointed as Non-Executive Chairman on 25 August 2006. He holds a Bachelor of Science in Electrical and Electronics Engineering from the Brighton University of United Kingdom and is a member of MIEM, Professional Engineer.

He has about 12 years experience with Radio Television Malaysia with his last posting as Director of Engineering in 1981. He is the major shareholder and Managing Director of Perunding AJZ Sdn Bhd, a multi discipline engineering consulting firm.

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

He does not hold any securities in the Company.

Encik Mohamed Zain bin Mohamed Yusoff is not a director of any other public listed company. He is not related to any Director or major shareholder of the Company and does not have any conflict of interest with the Company.

Encik Mohamed Zain bin Mohamed Yusoff has no conviction for any offences within the past 10 years.

Mr Wong Ah Chiew  
a Malaysian, aged 60.

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

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

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

He has more than 28 years experience in property development of residential and commercial projects, having previously held a managing director position in a public listed property development company.

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

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

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

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

Mr Wong Ah Chiew has no conviction for any offences within the past 10 years.

## Profile of Directors

### Mr Wong Chong Shee a Malaysian, aged 53.

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

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

Prior to joining the Company, he had a short stint as a manager of a timber-based manufacturing company before joining the banking industry as a manager with a local commercial bank for 6 years.

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

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

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

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

Mr Wong Chong Shee has no conviction for any offences within the past 10 years.

### Mdm Khor Chai Moi a Malaysian, aged 56.

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

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

She has more than 15 years experience as the managing director of a group of companies actively involved in property development, trading and insurance services.

She is the Managing Director of Willowglen MSC Berhad, a company involved in research, development and supply of computer-based control systems.

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

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

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

Mdm Khor Chai Moi has no conviction for any offences within the past 10 years.

**Mr Yap Yoon Kong**  
a Malaysian, aged 51.

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

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

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

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

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

He is neither related to any Director or major shareholder of the Company nor have any conflict of interest other than those disclosed under Other Information and Notes to the Financial Statements of this Annual Report.

Mr Yap Yoon Kong has no conviction for any offences within the past 10 years.

**YM Ungku Haji Mohd. Afandi  
bin Ungku Suleiman**  
a Malaysian, aged 61.

He joined the Board of Directors of the Company on 26 December 1989. He is an Independent Non-Executive Director. He holds a Diploma in Business Studies and Advance Diploma in Commercial Management.

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

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

He does not hold any securities in the Company.

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

YM Ungku Haji Mohd. Afandi bin Ungku Suleiman has no conviction for any offences within the past 10 years.

Mr Au Chun Choong  
a Malaysian, aged 56.

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

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

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

He is a member of the Audit Committee, Nominating Committee, Remuneration Committee and Risk Management Committee of the Company.

He does not hold any securities in the Company.

Mr Au Chun Choong is a non-executive director of Luxchem Corporation Berhad, an investment holding company with its subsidiaries involved in distribution of industrial chemicals and materials. He is neither related to any Director or major shareholder of the Company nor have any conflict of interest with the Company.

Mr Au Chun Choong has no conviction for any offences within the past 10 years.

## Audit Committee Report

The Audit Committee of PJ Development Holdings Bhd is pleased to present the Audit Committee Report for the year ended 30 June 2008 as follows:

### 1. Composition and Meetings

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

The Audit Committee is governed by the Terms of Reference as stipulated in item 4 of this report. All the requirements under the Terms of Reference have been fully complied with and the Audit Committee did not see any matter in breach of the Listing Requirements of Bursa Malaysia Securities Berhad that warrants reporting to the Exchange.

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

Committee Members	Attendance of Meetings
<b>Independent</b>	
Au Chun Choong (Chairman)	5/5
YM Ungku Haji Mohd. Afandi Bin Ungku Suleiman	5/5
Dato' Mohamed Tarmizi Bin Mohd. Tahir (retired on 22 November 2007)	2/2
Mohamed Zain Bin Mohamed Yusof (appointed on 22 November 2007)	2/2
<b>Non-Independent</b>	
Wong Ah Chiew (resigned on 22 November 2007)	3/3

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

### 2. Summary Of Activities For The Financial Year Ended 30 June 2008

During the financial year under review, the Audit Committee carried out the following activities:

- i) Reviewed with the External Auditors the audit plan, results of the audit, the audit report and management letter, including the Management's response to the findings of the External Auditors.
- ii) Reviewed the audit plan and scope of Internal Audit work including the authority, proficiency and adequacy of resources to carry out its function.
- iii) Reviewed the internal audit reports, findings and recommendations and the Management's response. Where appropriate, the Audit Committee has directed actions to be taken by the Management to rectify and improve the system of internal controls identified in the internal audit reports.
- iv) Reviewed all statutory financial statements and quarterly unaudited financial results prior to announcements to ensure the Group is in compliance with accounting standards and legal and regulatory requirements.
- v) Reviewed the related party transactions entered into by the Group.

## Audit Committee Report

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

### 3. Internal Audit Function

The Group Internal Audit Department assists the Audit Committee in the discharge of its duties and responsibilities. Its role is to provide independent and reasonable assurance on the adequacy and effectiveness of Group's system of internal controls.

The internal audit covers the review of the adequacy of risk management, financial and operational controls and compliance with established policies and procedures.

### 4. Terms Of Reference Of The Audit Committee

#### 4.1 Objectives

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

1. To oversee financial reporting that specified financial standards and Bursa Malaysia Securities Berhad disclosure requirements have been complied with.
2. To assist the Board in establishing and maintaining cost effective internal controls, proper risk management and good corporate governance.
3. To assess and supervise the quality of audits conducted by the internal and external auditors.
4. To assure the independence of the external auditors.
5. To reinforce the objectivity of the internal audit department.
6. To be the focal point for communication between the external auditors, internal auditors, Management and directors who have no significant relationships with Management.
7. To carry out any other duties delegated to the Committee by the Board.

#### 4.2 Size and Composition

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

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

#### 4.3 Chairman of the Audit Committee

The Committee shall elect a chairman from among its members who shall be a non-executive and an independent Director.

In the event, the elected chairman is not able to attend a meeting, a member of the Committee shall be nominated as chairman for the meeting. The nominated chairman shall be a non-executive and an independent Director.

#### 4.4 Meetings of the Audit Committee

1. *Frequency*

Meetings shall be held not less than four (4) times a year. In addition, the Chairman shall call for a meeting of the Committee if requested to do so by any member of the Committee, the Board of Directors, the Senior Management or the internal or external auditors.

Prior notice shall be given for the Committee's meetings.

2. *Quorum*

A minimum of 2 members shall form the quorum.

3. *Secretary of the Audit Committee*

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

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

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

#### 4.5 Attendance of Audit Committee's Meetings

The Head of Finance, Head of Internal Audit, and a representative of the external auditors may attend any particular meeting only at the Committee's invitation. The Committee may also invite any other employees to attend the meeting to assist in its deliberations.

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

#### 4.6 Authority of the Audit Committee

The Committee shall:

1. have authority to investigate any matter within its terms of reference,
2. have unlimited access to both the internal and external auditors, as well as the employees of the Group to perform its duties,
3. have full and unrestricted access to any information pertaining to the company and its subsidiaries,
4. have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity,
5. be able to obtain independent legal or other professional advice as it considers necessary, and
6. be able to convene meetings with the external auditors whenever deemed necessary.

## Audit Committee Report

### 4.7 Duties and Responsibilities

Without limiting the generality of the Committee's terms of reference, the Committee shall, amongst others, discharge the following functions:

1. Review the following and report the same to the Board of Directors of the company and subsidiaries;
  - a) the audit plan with the external auditors and ensure coordination where more than one audit firm is involved,
  - b) evaluation of the system of internal controls with the external auditors,
  - c) audit report with the external auditors,
  - d) the assistance given by the employees to the external auditors,
  - e) review the external auditor's management letter and management's response,
  - f) the adequacy of the scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work,
  - g) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function,
  - h) review any appraisal or assessment of the performance of members of the internal audit function and take cognizance of resignations of internal audit staff members,
  - i) the quarterly results, annual and consolidated financial statements prior to the approval by the Board of Directors focusing particularly on:
    - changes in or implementation of major accounting policy and practices,
    - the going concern assumption,
    - significant adjustments arising from the audit,
    - major judgmental issues,
    - significant and unusual events, and
    - compliance with accounting standards and other legal requirements.
  - j) any related party transactions and conflict of interest situation that may arise within the company and subsidiaries or group including any transactions, procedure or course of conduct that raises questions of management integrity,
  - k) any letter of resignation from the external auditors of the company and subsidiaries,
  - l) whether there is reason (supported by grounds) to believe that the company's and subsidiaries' external auditor is not suitable for re-appointment.
2. Consider and recommend the nomination of a person or persons as external auditors.
3. Consider the major findings of internal investigations and management's response; and
4. Consider other duties delegated by the Board.

### 4.8 Audit Committee Report

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

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

An Audit Committee report shall be prepared at the end of each financial year that complies with sub paragraphs (1) and (2) below.

1. the Committee's report must be clearly set out in the annual report of the company and subsidiaries,
2. the Committee's report shall include the following:
  - a) the composition of the Committee, including the name, designation (indicating the Chairman) and directorship of the members (indicating whether the directors are independent or otherwise),
  - b) the terms of reference of the Committee,
  - c) the number of Committee meetings held during the financial year and details of attendance of each Committee member,
  - d) a summary of the activities of the Committee in the discharge of its functions and duties for that financial year, and
  - e) the existence of an internal audit function of activity and where there is such a function or activity, a summary of the activities of the function or activity. Where such a function or activity does not exist, an explanation of the mechanisms that exist to enable the Committee to discharge its functions effectively.

#### **4.9 Reporting of Breaches to the Exchange**

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

#### **4.10 Retirement or Resignation**

In the event of any vacancy in the Audit Committee resulting in the non-compliance of subparagraphs 2.0 above, the company must fill the vacancy within 3 months.

#### **4.11 Review of the Audit Committee**

The Board of Directors through the Nominating Committee shall assess the effectiveness of the Audit Committee at least annually and to determine whether such Audit Committee and members have carried out their duties in accordance with the terms of reference.

# Corporate Governance Statement

The Board of Directors recognises the importance of good corporate governance by maintaining high standards of transparency, accountability and integrity. In this respect the Board is committed to applying the Principles of Good Corporate Governance with the best practices as set out in the Malaysian Code of Corporate Governance wherever applicable to safeguard and promote the interests of shareholders and to enhance the long term value of the Group.

## 1. BOARD OF DIRECTORS

### 1.1 Board Responsibilities

The Board plays a primary role in corporate governance by providing the strategic direction of the Group for long term sustainable growth and profitability and enhancing shareholder value.

### 1.2 Board Balance

The Board consists of seven (7) members, comprising a Non-Executive Chairman, four (4) Executive Directors and two (2) Independent Non-Executive Directors.

The Company is in compliance with the Listing Requirements of the Bursa Malaysia which requires one third ( $\frac{1}{3}$ ) of the Board members to comprise of independent members. More than one third ( $\frac{1}{3}$ ) of the Board is represented by Independent Non-Executive Directors who are independent of Management, thereby ensuring independence in the Board's deliberations and decision-making.

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

The Directors combined in them have expertise and experience in various fields such as economics and investment, public services, accounting and engineering. Their expertise, experience and background result in thorough examination and deliberations of the various issues and matters affecting the Group.

The Chairman ensures the orderly conduct and effective running of the Board while the Managing Director manages the Group's day to day activities in achieving corporate and business objectives.

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

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

### 1.3 Board Meetings

The Board meets regularly on a quarterly basis, with additional meetings convened as necessary. Any director can call for a Board meeting, provided sufficient notice is given. Notice of Board meetings with an agenda and full Board papers for each agenda item to be discussed would be distributed to all directors for timely and accurate information prior to the meeting.

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

The Board met six (6) times during the financial year 2007/2008.

Details of attendance of Directors at Board meetings are as follows:

<b>Executive Directors</b>	<b>Attendance of Meetings</b>
Wong Ah Chiew	6/6
Wong Chong Shee	6/6
Khor Chai Moi	6/6
Yap Yoon Kong	6/6

<b>Non-Executive Directors</b>	<b>Attendance of Meetings</b>
Mohamed Zain Bin Mohamed Yusoff	5/6
YM Ungku Haji Mohd Afandi bin Ungku Suleiman	6/6
Au Chun Choong	6/6

### **Board Committees**

The Board has established various committees comprising a mix of directors and senior management to assist them in the daily operations and management of the Company and Group.

#### **Executive Committee**

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

#### **Audit Committee**

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

#### **Nominating Committee**

The Nominating Committee comprising two (2) Independent Non-Executive Directors, recommends to the Board on the assessment and appointment of new Directors and ensures appropriate structure for management succession.

The Committee meets to discuss and review the assessment of other Committees members in a periodic review of the members' performance and their contribution to their respective Committees and make recommendations to the Board.

#### **Remuneration Committee**

Two (2) Independent Non-Executive Directors and one (1) Executive Director sit on this Committee. The Committee carries out annual reviews and recommends to the Board the remuneration, compensation and benefits package of the Executive Directors.

## Corporate Governance Statement

### **Tender Committee**

The members of this Committee, comprising three (3) Executive Directors and one (1) corporate management officer meet regularly to ensure the tendering processes are fairly and properly conducted.

### **Corporate Announcement and Compliance (“CAC”) Committee**

The CAC Committee comprises five (5) members, of which three (3) are Executive Directors and two (2) corporate management officers. The Committee is authorised to propose, review and recommend all required corporate announcements and recommend, approve and implement action plans to ensure compliance with the Listing Requirements of Bursa Malaysia.

### **Risk Management Committee**

Six (6) members of this Committee comprising two (2) Executive Directors, one (1) Independent Non-Executive Director and three (3) corporate management officers meet on a quarterly basis to review the adequacy of risks management process in the Group.

Management Committees at operational levels are in place and have been delegated the task of reporting to the Board on their relevant responsibilities.

### **1.4 Directors’ Training**

The Board supports the need for its members to update and keep themselves abreast with the developments in the economy and changes in the relevant industry and business environment. They are kept informed of the new statutory and regulatory requirements relating to their duties and responsibilities as directors. The Board of Directors have attended training and seminars relating to corporate tax, foreign investment opportunities and corporate social responsibility.

### **1.5 Supply Of Information**

The Directors are supplied with all relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters prior to Board meetings to give Directors time to deliberate on issues to be raised at meetings.

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

Directors from time to time visit locations of branches, factories and projects to have a thorough understanding of the operations.

### **1.6 Re-election of Directors**

In accordance with the Company’s Articles of Association, the Directors, including the Managing Director shall retire from office at least once in three (3) years but shall be eligible for re-election. Any additional director appointed during the year shall retire at the next AGM of the Company.

## 2. DIRECTORS' REMUNERATION

The remuneration package of the Directors are as follows:

### i) Aggregate Remuneration

Remuneration	Executive Directors	Non-Executive Directors	Total
Fees	40,000	36,000	76,000
Directors' Salary, other Emoluments and Benefits	3,373,706	-	3,373,706
Allowances	-	3,300	3,300

### ii) Analysis of Remuneration

Range of Remuneration	No. of Directors	
	Executive	Non-Executive
< RM50,000	-	3
RM400,000 – RM450,000	1	-
RM600,000 – RM650,000	1	-
RM1,100,000 – RM1,150,000	1	-
RM1,250,000 – RM1,300,000	1	-

## 3. SHAREHOLDERS

### 3.1 Dialogue between Company and Investors

The Group recognises the importance of keeping shareholders informed of developments concerning the Group. The Group reaches out to each and every shareholder through its distribution of Annual Reports and relevant circulars and announcements of quarterly results of the Group to Bursa Malaysia Securities Berhad. The Company's Annual Report is informative with facts and figures, statutory reports and disclosures.

The Company and subsidiary companies and divisions in the Group have set up websites for shareholders and the public to access corporate information, news and events related to the Group.

Our corporate website is at [www.pjdh.com.my](http://www.pjdh.com.my).

### 3.2 Annual General Meeting

The Board of Directors encourages full participation by shareholders at every General Meeting of the Company and every opportunity is given to the shareholders to ask questions and seek clarification on the business and performance of the Group.

## 4. ACCOUNTABILITY AND AUDIT

### 4.1 Financial Reporting

In its financial reporting to the shareholders and other interested parties by means of annual financial statements and quarterly results announcements, the Board aims to present a balanced and understandable assessment of the Group's financial position and prospects.

## Corporate Governance Statement

### 4.2 Statement of Directors' Responsibility

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and Company at the end of the financial year and of the results of the Group and Company for that financial year.

The Directors are satisfied that in preparing the financial statements of the Group for the year ended 30 June 2008, appropriate accounting policies have been adopted, consistently applied and supported by reasonable and prudent judgments and estimates. The Directors also consider that all relevant approved accounting standards have been followed in the preparation of these statements.

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

### 4.3 Internal Control

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

### 4.4 Relationship with External Auditors

Through the Audit Committee, the Group has established a transparent and appropriate relationship with the Group's external auditors. Representatives of the External Auditors were invited for meetings to brief the Audit Committee on the audit plan and on specific issues arising from the annual audit of the Group.

### 4.5 Corporate Social Responsibility

PJD Group strives to be a valued corporate citizen by committing to the sustainable development of society and addressing its issues and needs in a balanced manner, taking into consideration the economic, environmental and social impact of our actions in business operations.

Our employees are continuously briefed on Corporate Social Responsibility (CSR) awareness and to embrace the practice of CSR in the way they think and act. Company events and sports activities are organized to encourage more interaction and foster a sense of belonging amongst employees and to promote healthier living.

The Group is committed to protecting the well-being of the workforce and ensures that health and safety issues are a priority for all our business operations. Employees are provided with a safe, clean and conducive working environment.

The Group supports eco-culture conservation of the environment and operates in a responsible and environmentally friendly manner in all our development projects, factories and resorts.

PJD Group is actively involved in giving back to society with charity events, donation drives aids and contributions to the less fortunate and community service in "gotong-royong" activities.

At PJD, we ensure that stakeholders are kept informed of the Group's performance and have open channels for dialog during our general meetings and feedback on our corporate website.

More information of our CSR initiatives are set out in our Chairman's Review.

# Statement on Internal Control

## Introduction

The Board is committed to maintaining a sound system of internal control in the Group and is pleased to provide the following statement which outlines the nature and scope of internal control of the Group during the year under review.

## Board Responsibility

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

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

## Risk Management

The Board through the Audit Committee has established a Risk Management Committee (RMC). The Committee comprises three directors and three senior managers whilst each business division's risk management is led by the respective head of division. The RMC oversees the potential risks concerning the business and operations to ensure that they are effectively managed and report their concerns to the Audit Committee. The risk management process is a process of continual identification, evaluation, monitoring and reporting of risks throughout the Group done by the respective business divisions. Risk avoidance, mitigation or recovery plans are developed and monitored as are necessary to manage significant risks that may materially affect the achievement of the Group's strategic business and operational objectives for the financial year under review.

RMC meets quarterly. Invitees from the respective business divisions attend the RMC meetings to brief the committee on the significant risks identified so that these risks are constantly monitored and appropriate actions are promptly taken. All risk management reports submitted by the business divisions are reviewed by Internal Audit for evaluating the effectiveness of and recommending improvements to risk management. RMC ensures :

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

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

## Internal Audit

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

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

## Statement on Internal Control

### Control Structure and Environment

The Board is committed to maintaining a strong control structure and environment for the proper conduct of Group's business operations. The following control structure and environment are in place:-

- The full Board meets quarterly and has set a schedule of matters, which is required to be brought to its attention for discussion, thus ensuring that it maintains full and effective supervision over the Group's activities.
- A management structure exists with formally defined lines of accountability and appropriate approving authority which sets out the decisions that need to be taken at various levels of management which include matters that require the Board's approval. These include the establishment of various committees highlighted in the Corporate Governance Statement.
- The Group performs comprehensive annual budgeting and target setting processes including development of business strategies for each area of business with detailed reviews at all levels of operation. Divisional Directors meet monthly with management of business units to review operational, business development and financial performance. In addition, quarterly Business Performance Review is held between the Executive Committee and Senior Management of the respective businesses to critically review the business performances against the budget, to assess opportunities and to approve business strategies identified by the Management.
- Adequate financial and operational information systems are in place to capture and present timely and pertinent internal business information. Clear reporting structure ensures financial and operational reports are prepared and presented to the Management and the Board for review on a timely basis.
- Policies, procedures and guidelines are in place to guide staff. All significant expenditure of capital, operational and investment nature are properly evaluated and approved by the Executive Committee.

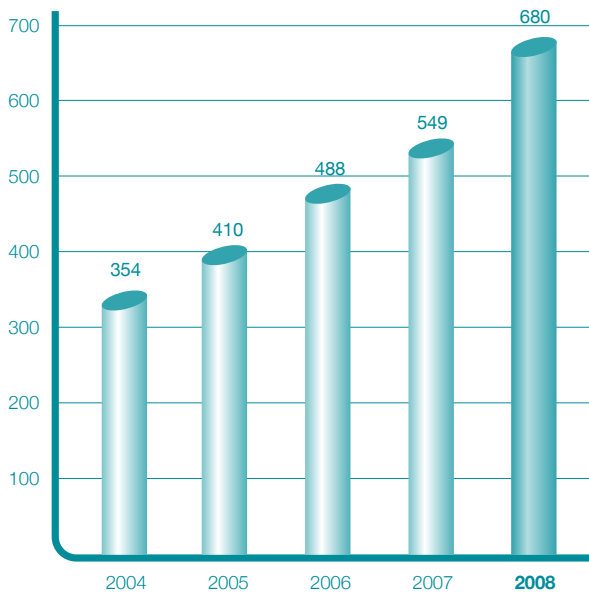
The Board is of the view that the existing system of internal control is adequate and effective and will continue to be reviewed, expanded and/ or updated in line with the changes in the business environment. There are presently no significant internal control problems and no material losses were incurred during the financial year as a result of weaknesses in internal control.

## Five Years Group Financial Highlights

Financial Year Ended (RM Million)	2008 June	2007 June	2006 June	2005 June	2004 June
Revenue	680	549	488	410	354
Profit Before Taxation	122.6	53.0	34.7	36.2	29.0
Profit After Taxation And Minority Interest	101.8	42.4	28.4	27.6	19.5
Paid-up Capital	456	456	456	456	456
Shareholders' Funds	793	702	662	706	711
Basic Earnings Per Share (sen)	22.3	9.3	6.3	6.1	4.3
Dividends Per Share (sen)	5.0	5.0	4.0	4.0	4.0
Net Tangible Assets Per Share (RM)	1.72	1.52	1.44	1.53	1.54

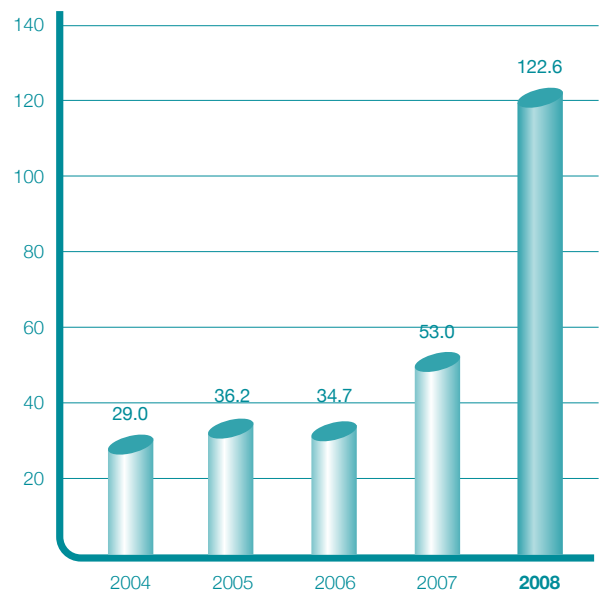
### Revenue

RM in million



### Profit Before Taxation

RM in million





## Financial Statements

43	Directors' Report
49	Statement by Directors
49	Statutory Declaration
50	Independent Auditors' Report
52	Balance Sheets
54	Income Statements
55	Consolidated Statement of Changes in Equity
56	Statement Of Changes In Equity
57	Cash Flow Statements
59	Notes to the Financial Statements



## Directors' Report

### for the financial year ended 30 June 2008

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2008.

#### PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and property investment. The principal activities of the subsidiaries are set out in Note 11 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

#### RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	101,757	17,510
Attributable to:		
Equity holders of the Company	101,794	17,510
Minority interest	(37)	-
	101,757	17,510

#### DIVIDENDS

Since the end of the previous financial year, the Company paid a first and final dividend of 5 sen per ordinary share, less tax, amounting to RM16,873,000 in respect of the financial year ended 30 June 2007 on 18 January 2008.

The Directors propose a first and final dividend of 5 sen per ordinary share, less tax, amounting to RM17,087,000 in respect of financial year ended 30 June 2008, subject to the approval of members at the forthcoming Annual General Meeting.

#### RESERVES AND PROVISIONS

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

#### ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

#### SHARES REPURCHASED

During the financial year, the Company repurchased 100,000 shares of RM1.00 each of its issued and paid up share capital from the open market for a total consideration of RM64,000. The shares repurchased were not subsequently cancelled and have been classified as treasury shares which were presented as a deduction from total equity. None of the treasury shares has been resold or distributed as share dividend during the financial year.

## Directors' Report

for the financial year ended 30 June 2008

### OPTIONS GRANTED OVER UNISSUED SHARES

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

#### **Warrants**

Warrants B

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

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

As at 30 June 2008, 114,032,898 Warrants B have yet to be converted to ordinary shares.

### DIRECTORS

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

Mohamed Zain bin Mohamed Yusoff

Wong Ah Chiew

Wong Chong Shee

Khor Chai Moi

Yap Yoon Kong

YM Ungku Haji Mohd. Afandi bin Ungku Suleiman

Au Chun Choong

Dato' Dr. Haji Dzulkarnain bin Shafiee

(demised on 13 November 2007)

Dato' Mohamed Tarmizi bin Mohd. Tahir

(retired on 22 November 2007)

## DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in shares and warrants of the Company and shares of its related corporations (other than wholly-owned subsidiaries) during the financial year ended 30 June 2008 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 were as follows:

	Number of ordinary shares of RM1.00 each			Balance as at 30.6.2008
	Balance as at 1.7.2007	Bought	Sold	
<b>Shares in the Company</b>				
Direct interests:				
Wong Ah Chiew	2,376,000	-	-	2,376,000
Wong Chong Shee	2,800,000	200,000	-	3,000,000
Khor Chai Moi	26,940,166	-	-	26,940,166
Indirect interests:				
Wong Ah Chiew *	93,847,681	250,000	-	94,097,681
Khor Chai Moi **	104,124,841	-	-	104,124,841
Yap Yoon Kong***	-	376,500	-	376,500
<b>Number of Warrant B</b>				
	Balance as at 1.7.2007	Bought	Sold	Balance as at 30.6.2008
<b>Warrants B in the Company</b>				
Direct interests:				
Wong Ah Chiew	402,000	-	-	402,000
Wong Chong Shee	33	-	-	33
Khor Chai Moi	11,692,829	-	-	11,692,829
Indirect interests:				
Wong Ah Chiew ****	31,593,392	-	-	31,593,392
Khor Chai Moi *****	33,427,232	-	-	33,427,232

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

\*\* By virtue of shares held by Dindings Consolidated Sdn. Bhd., Ladang Setia Sdn. Bhd. and through nominees.

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

\*\*\*\* By virtue of warrants held by Dindings Consolidated Sdn. Bhd..

\*\*\*\*\* By virtue of warrants held by Dindings Consolidated Sdn. Bhd. and Ladang Setia Sdn. Bhd..

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

## Directors' Report

for the financial year ended 30 June 2008

### DIRECTORS' INTERESTS (CONTINUED)

The deemed interest of Wong Ah Chiew and Khor Chai Moi in the shares of non wholly-owned subsidiaries of the Company as recorded in the Register of Directors' Shareholdings were as follows:

	Number of ordinary shares of RM1.00 each			Balance as at 30.6.2008
	Balance as at 1.7.2007	Bought	Sold	
	Damai Laut Golf Resort Sdn. Bhd.	29,500,000	20,000,000	
Swiss-Garden Rewards Sdn. Bhd.	350,000	-	-	350,000

	Number of ordinary shares of 10.00 Thai Baht each			Balance as at 30.6.2008
	Balance as at 1.7.2007	Bought	Sold	
	PJDCI Co., Ltd.	242,500	-	
PJDC Co., Ltd.	14,925,000	-	-	14,925,000

	Number of redeemable preference shares of RM1.00 each			Balance as at 30.6.2008
	Balance as at 1.7.2007	Bought	Redeemed	
	Damai Laut Golf Resort Sdn. Bhd.	20,000,000	-	

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

### DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with a Director or with a firm of which a Director is a member, or with a company in which the Director has a substantial financial interests, except for any benefit which may be deemed to have arisen by virtue of those transactions as disclosed in Note 38 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

**OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY****(I) AS AT THE END OF THE FINANCIAL YEAR**

- (a) Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:
  - i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - ii) to ensure that any current assets, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

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

- (c) The Directors are not aware of any circumstances:
  - i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent; or
  - ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
  - i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
  - ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

**(III) AS AT THE DATE OF THIS REPORT**

- (e) There is no charge on the assets of the Group and of the Company which has arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There is no contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

## Directors' Report

for the financial year ended 30 June 2008

### SIGNIFICANT EVENTS DURING THE YEAR

- (a) On 20 July 2007, PJD Realty Sdn. Bhd., a wholly-owned subsidiary of the Company, had completed the acquisition of the entire issued and paid-up share capital in Pravest Sdn. Bhd., a company incorporated in Malaysia, for a cash consideration of RM17,426,000.
- (b) On 6 November 2007, Eframe Solutions Sdn. Bhd. was incorporated and subsequently became a wholly-owned subsidiary of the Company, with an authorised and paid-up share capital of RM100,000 and RM2 respectively.
- (c) On 28 November 2007, PJD Realty Sdn. Bhd., a wholly-owned subsidiary of the Company, disposed off its entire equity interest in PJD Paragon Development Sdn. Bhd. and its subsidiaries, K.G. Management Services Sdn. Bhd. and OLP Management Services Sdn. Bhd., for a cash consideration of RM2,350,000.
- (d) On 3 December 2007, Equity & Property Investment Corporation Limited, an associate of the Company incorporated in Australia, had completed the disposal of its hotel properties and business for a cash consideration of AUD135,000,000.

### AUDITORS

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

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

**Wong Ah Chiew**  
Director

**Wong Chong Shee**  
Director

Kuala Lumpur  
Date: 10 October 2008

## Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 52 to 123 have been drawn up in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2008 and of the results of the operations of the Group and of the Company and of the cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

**Wong Ah Chiew**  
Director

**Wong Chong Shee**  
Director

Kuala Lumpur  
Date: 10 October 2008

## Statutory Declaration

I, **Yap Yoon Kong**, being the Director primarily responsible for the financial management of PJ Development Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 52 to 123 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 10 October 2008.

**Yap Yoon Kong**

Before me:

**Wong Ah Ying (W334)**  
Commissioner for Oaths  
Kuala Lumpur, Malaysia

# Independent Auditors' Report

## to the members of PJ Development Holdings Berhad (Company No.: 5938 - A)

### Report on the Financial Statements

We have audited the financial statements of PJ Development Holdings Berhad, which comprise the balance sheets as at 30 June 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 52 to 123.

The financial statements of the Group and of the Company as at 30 June 2007 were audited by another firm of chartered accountants, whose report dated 8 October 2007, expressed an unqualified opinion on those statements.

#### *Directors' Responsibility for the Financial Statements*

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

#### *Auditors' Responsibility*

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

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

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

#### *Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2008 and of the results of the operations of the Group and of the Company and of the cash flows of the Group and of the Company for the financial year then ended.

### **Report on Other Legal and Regulatory Requirements**

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 11 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purpose of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

### **Other Matters**

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

#### **BDO Binder**

AF: 0206  
Chartered Accountants

Kuala Lumpur  
Date: 10 October 2008

#### **Gan Hock Soon**

2853/07/10(J)  
Partner

## Balance Sheets

as at 30 June 2008

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	7	402,310	380,835	578	272
Intangible assets	8	6,615	6,615	-	-
Prepaid lease payments for land	9	7,664	5,909	-	-
Investment properties	10	11,804	6,852	-	-
Investments in subsidiaries	11	-	-	423,857	425,857
Investments in associates	12	103,231	37,432	-	-
Other investments	13	46,486	50,519	-	-
Land held for property development	14	117,748	79,895	-	-
Deferred tax assets	15	3,752	4,362	-	-
Trade and other receivables	16	42,347	23,956	242,774	251,940
		741,957	596,375	667,209	678,069
<b>Current assets</b>					
Property development costs	17	289,672	261,166	-	-
Inventories	18	34,113	29,556	-	-
Trade and other receivables	16	267,680	251,595	541	600
Current tax asset		4,696	4,379	3,106	3,773
Cash and cash equivalents	19	56,821	32,621	6,215	676
		652,982	579,317	9,862	5,049
<b>TOTAL ASSETS</b>		<b>1,394,939</b>	<b>1,175,692</b>	<b>677,071</b>	<b>683,118</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital	20	456,132	456,132	456,132	456,132
Treasury shares	20	(104)	(40)	(104)	(40)
Reserves	21	336,804	245,694	92,302	91,665
		792,832	701,786	548,330	547,757
<b>Minority interests</b>		<b>101</b>	<b>299</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY</b>		<b>792,933</b>	<b>702,085</b>	<b>548,330</b>	<b>547,757</b>

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	22	120,565	81,788	16,149	25,312
Deferred income	24	34,955	30,200	-	-
Trade and other payables	25	4,413	13,851	41,296	31,223
Deferred tax liabilities	15	12,164	7,062	-	-
		172,097	132,901	57,445	56,535
<b>Current liabilities</b>					
Deferred income	24	35,339	42,306	-	-
Trade and other payables	25	181,628	111,562	14,531	2,263
Borrowings	22	207,851	182,614	56,765	76,563
Current tax payable		5,091	4,224	-	-
		429,909	340,706	71,296	78,826
<b>TOTAL LIABILITIES</b>		602,006	473,607	128,741	135,361
<b>TOTAL EQUITY AND LIABILITIES</b>		1,394,939	1,175,692	677,071	683,118

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

## Income Statements

for the financial year ended 30 June 2008

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Revenue	28	680,029	549,358	33,773	33,442
Cost of sales	29	(502,556)	(405,988)	(6,756)	(6,401)
Gross profit		177,473	143,370	27,017	27,041
Other income		8,734	8,065	2,882	4,180
Administrative expenses		(24,662)	(20,639)	(776)	(695)
Other expenses		(85,187)	(67,899)	(2,580)	(731)
Finance costs		(10,814)	(10,445)	(7,280)	(7,708)
Share of profit of associates		57,022	547	-	-
Profit before tax	30	122,566	52,999	19,263	22,087
Tax expense	31	(20,809)	(10,525)	(1,753)	(5,542)
Profit for the financial year		101,757	42,474	17,510	16,545
Attributable to:					
Equity holders of the Company		101,794	42,377	17,510	16,545
Minority interest		(37)	97	-	-
		101,757	42,474	17,510	16,545
Basic earnings per ordinary share (sen)	32	22.32	9.29		

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

## Consolidated Statement of Changes in Equity

for the financial year ended 30 June 2008

Group	Note	Attributable to shareholders of the Company					Total RM'000	Minority interest RM'000	Total equity RM'000
		Share capital RM'000	Share premium RM'000	Translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000			
Balance at 1 July 2006		456,132	39,773	1,646	-	163,984	661,535	260	661,795
Foreign currency translations		-	-	(3,105)	-	-	(3,105)	(58)	(3,163)
Effect of adoption of FRS 3		-	-	-	-	22,005	22,005	-	22,005
Effect of adoption of FRS 116		-	-	-	-	(7,670)	(7,670)	-	(7,670)
Net (losses)/gains recognised directly in equity		-	-	(3,105)	-	14,335	11,230	(58)	11,172
Repurchase of shares	20	-	-	-	(40)	-	(40)	-	(40)
Profit for the financial year		-	-	-	-	42,377	42,377	97	42,474
Dividend paid to shareholders	33	-	-	-	-	(13,316)	(13,316)	-	(13,316)
Balance at 30 June 2007		456,132	39,773	(1,459)	(40)	207,380	701,786	299	702,085
Foreign currency translations		-	-	6,189	-	-	6,189	(161)	6,028
Net gains recognised directly in equity		-	-	6,189	-	-	6,189	(161)	6,028
Profit for the financial year		-	-	-	-	101,794	101,794	(37)	101,757
Repurchase of shares	20	-	-	-	(64)	-	(64)	-	(64)
Dividend paid to shareholders	33	-	-	-	-	(16,873)	(16,873)	-	(16,873)
Balance at 30 June 2008		456,132	39,773	4,730	(104)	292,301	792,832	101	792,933

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

## Statement of Changes in Equity

for the financial year ended 30 June 2008

Company	Note	Non-Distributable		Distributable		Total RM'000
		Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Retained earnings RM'000	
Balance at 1 July 2006		456,132	39,773	-	48,663	544,568
Repurchase of shares	20	-	-	(40)	-	(40)
Profit for the financial year		-	-	-	16,545	16,545
Dividend paid to shareholders	33	-	-	-	(13,316)	(13,316)
Balance at 30 June 2007		456,132	39,773	(40)	51,892	547,757
Repurchase of shares	20	-	-	(64)	-	(64)
Profit for the financial year		-	-	-	17,510	17,510
Dividend paid to shareholders	33	-	-	-	(16,873)	(16,873)
Balance at 30 June 2008		456,132	39,773	(104)	52,529	548,330

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

## Cash Flow Statements

for the financial year ended 30 June 2008

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before tax		122,566	52,999	19,263	22,087
Adjustments for:					
Allowance for doubtful debts		3,943	2,532	-	-
Allowance for diminution in value of other investments		6,956	870	-	-
Allowance for doubtful debts no longer required		(96)	(224)	-	-
Allowance for likely withdrawal no longer required		(75)	-	-	-
Amortisation of prepaid lease payments for land	9	143	80	-	-
Bad debts written off		114	186	-	-
Depreciation of investment properties	10	131	121	-	21
Depreciation of property, plant and equipment	7	19,295	18,493	120	112
Dividend income		(5,608)	(3,915)	(30,473)	(30,025)
Gain on disposal of investment properties		(161)	(1,033)	-	(1,033)
Gain on disposal of other investments		(221)	(871)	-	-
Gain on disposal of property, plant and equipment		(250)	(963)	-	(8)
Gain on disposal of subsidiaries	37	(33)	-	-	-
Impairment loss on investments in subsidiaries		-	-	2,000	-
Impairment loss on property, plant and equipment		-	2,700	-	-
Interest expense		10,814	10,445	7,280	7,708
Interest income		(1,420)	(1,586)	(2,882)	(3,086)
Inventories written off		75	-	-	-
Land held for property development written off	14	-	15	-	-
Property, plant and equipment written off	7	414	611	1	10
Share of profit of associates		(57,022)	(547)	-	-
Unrealised loss on foreign exchange		-	1	-	-
Operating profit/(loss) before changes in working capital		99,565	79,914	(4,691)	(4,214)
Changes in working capital:					
Inventories		5,115	(3,272)	-	-
Property development costs and land held for property development		(49,007)	(60,745)	-	-
Trade and other receivables		(42,640)	(44,221)	114	(363)
Trade and other payables		52,700	23,273	(1,810)	1,378
Cash generated from/(used in) operating activities		65,733	(5,051)	(6,387)	(3,199)
Tax paid		(18,786)	(10,879)	-	-
Tax refunded		1,926	3,519	1,843	3,342
Net cash from/(used in) operating activities		48,873	(12,411)	(4,544)	143

## Cash Flow Statements

for the financial year ended 30 June 2008

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of subsidiary, net of cash acquired	36	(17,423)	-	-	-
Acquisition of investment properties	10	-	(1,870)	-	-
Acquisition of property, plant and equipment	7	(43,300)	(22,810)	(484)	(33)
Disposal of a subsidiary, net of cash disposed	37	(460)	-	-	-
Dividends received		4,122	2,870	27,544	22,593
Decrease/(Increase) in pledged deposits placed with licensed banks		2,136	(6,017)	-	-
Interest received		1,420	1,586	2,882	3,086
Proceeds from disposal of property, plant and equipment		659	3,451	57	8
Proceeds from disposal of investment properties		2,241	2,990	-	2,990
Proceeds from disposal of other investments		510	2,291	-	-
Purchase of other investments		(3,212)	(110)	-	-
Repurchase of shares	20	(64)	(40)	(64)	(40)
Net cash (used in)/from investing activities		(53,371)	(17,659)	29,935	28,604
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayments by/(Advances to) subsidiaries		-	-	33,263	(14,644)
Interest paid		(16,341)	(14,687)	(7,280)	(7,708)
Dividend paid to shareholders of the Company	33	(16,873)	(13,316)	(16,873)	(13,316)
Drawdown of loans and borrowings		195,275	131,470	-	19,000
Repayments of loans and borrowings		(159,886)	(63,254)	(29,188)	(11,250)
Net cash from/(used in) financing activities		2,175	40,213	(20,078)	(27,918)
Net (decrease)/increase in cash and cash equivalents		(2,323)	10,143	5,313	829
Effect of exchange rate changes		34	34	-	-
Cash and cash equivalents at beginning of financial year		14,011	3,834	676	(153)
Cash and cash equivalents at end of financial year	35	11,722	14,011	5,989	676

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

# Notes to the Financial Statements

30 June 2008

## 1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of Bursa Malaysia Securities Berhad.

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

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

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 10 October 2008.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and property investment. The principal activities of the subsidiaries are set out in Note 11 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with applicable approved Financial Reporting Standards ("FRSs") in Malaysia and the provisions of the Companies Act, 1965.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention.

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

### 4.2 Basis of consolidation

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

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

## Notes to the Financial Statements

30 June 2008

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 4.2 Basis of consolidation (continued)

At the acquisition date, the cost of business combination is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities in the business combination which are measured initially at their fair values at the acquisition date. The excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill (see Note 4.9 to the financial statements on goodwill). If the cost of business combination is less than the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, the Group will:

- (a) reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination; and
- (b) recognise immediately in profit or loss any excess remaining after that reassessment.

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

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

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

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

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

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

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

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

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.2 Basis of consolidation (continued)

Transactions with minority interests are treated as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

### 4.3 Property, plant and equipment and depreciation

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

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

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

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

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

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

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

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

## Notes to the Financial Statements

30 June 2008

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 4.3 Property, plant and equipment and depreciation (continued)

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

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

At each balance sheet date, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.10 to the financial statements on impairment of non-financial assets).

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

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

#### 4.4 Leases and hire-purchase

(a) Finance leases and hire-purchase

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

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

(b) Operating leases

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

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.4 Leases and hire-purchase (continued)

#### (c) Leases for land and buildings

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

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

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

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

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

The prepaid lease payments are amortised over the lease term ranging from 49 years to 90 years.

### 4.5 Property development activities

#### (a) Land held for property development

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

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

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

#### (b) Property development costs

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

## Notes to the Financial Statements

30 June 2008

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 4.5 Property development activities (continued)

(b) Property development costs (continued)

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

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

#### 4.6 Construction contracts

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

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

#### 4.7 Investment properties

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

Investment properties are stated at cost less accumulated depreciation and impairment losses, consistent with the accounting policy for property, plant and equipment as stated in Note 4.3 to the financial statements.

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

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

#### 4.8 Investments

(a) Subsidiaries

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

An investment in subsidiary, which is eliminated on consolidation, is stated in the Company's separate financial statements at cost less impairment losses, if any. On disposal of such an investment, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.8 Investments (continued)

###### (b) Associates

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

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

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

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

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

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

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

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

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

###### (c) Other investments

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

## Notes to the Financial Statements

30 June 2008

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 4.8 Investments (continued)

(c) Other investments (continued)

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

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

#### 4.9 Intangible assets

##### **Goodwill**

Goodwill acquired in a business combination is recognised as an asset at the acquisition date and is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

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

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

#### 4.10 Impairment of non-financial assets

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

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

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

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

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.10 Impairment of non-financial assets (continued)

In estimating the value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. An impairment loss is recognised in the income statement when the carrying amount of the asset or the CGU, including the goodwill or intangible asset, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated, first, to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis of the carrying amount of each asset in the CGU.

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

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

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

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

### 4.11 Inventories

(a) Completed properties held for sale

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

(b) Other inventories

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

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

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

## Notes to the Financial Statements

30 June 2008

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 4.12 Financial instruments

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

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

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

##### 4.12.1 Financial instruments recognised on the balance sheets

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

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

##### (a) Receivables

Trade receivables and other receivables, including any amounts owing by associates and related parties, are classified as loans and receivables under FRS 132, *Financial Instruments: Disclosure and Presentation*.

Receivables are carried at anticipated realisable value. Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection.

Receivables are not held for trading purposes.

##### (b) Cash and cash equivalents

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

##### (c) Payables

Liabilities for trade and other amounts payable, including any amounts owing to associates and related parties, are measured initially and subsequently at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

##### (d) Interest-bearing loans and borrowings

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

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.12 Financial instruments (continued)

#### 4.12.1 Financial instruments recognised on the balance sheets (continued)

(e) Equity instruments

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

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

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

### 4.13 Borrowing costs

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

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

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

### 4.14 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes, which are payable by a foreign subsidiary or associate on distributions to the Group and Company.

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

(a) Current tax

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

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

## Notes to the Financial Statements

30 June 2008

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 4.14 Income taxes (continued)

(b) Deferred tax

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

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

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

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

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

#### 4.15 Provisions

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

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

#### 4.16 Contingent liabilities and contingent assets

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

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

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

## **4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **4.17 Employee benefits**

#### 4.17.1 Short term employee benefits

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

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

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

#### 4.17.2 Defined contribution plans

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

### **4.18 Foreign currencies**

#### 4.18.1 Functional and presentation currency

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

#### 4.18.2 Foreign currency transactions and balances

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at rates of exchange ruling at that date unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the profit or loss in the period in which they arise. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition, and non-monetary items which are carried at fair value are translated using the exchange rate that existed when the values were determined for presentation currency purposes.

#### 4.18.3 Foreign operations

Financial statements of foreign operations are translated at financial year end exchange rates with respect to the assets and liabilities, and at average exchange rates for the financial year with respect to the income statement. All resulting translation differences are taken to reserves.

## Notes to the Financial Statements

30 June 2008

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 4.18 Foreign currencies (continued)

##### 4.18.3 Foreign operations (continued)

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

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

#### 4.19 Revenue recognition

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

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

(a) Sale of goods

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

(b) Services

*Hotel and golf course*

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

*Property investment and property management services*

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

*Management and operation of recreational club*

50% of the purchase price representing enrolment fees from members joining the club are recognised as revenue upon signing of the membership agreements. The remaining 50% of the purchase price representing the advance annual fee is treated as deferred membership fee which is recognised over the membership period from date of the membership agreement until its expiry on 17 September 2016.

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

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.19 Revenue recognition (continued)

(b) Services (continued)

*Management and operation of timeshare membership scheme*

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

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

(c) Construction contracts

Contract revenue and expenses are recognised in the income statement in proportion to the stage of completion of the contract. Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. The stage of completion is assessed by reference to the proportion of contract costs incurred for work performed to date against total estimated costs where the outcome of the project can be estimated reliably.

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

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

(d) Property development

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

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

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

(e) Completed properties held for sale

Revenue from the sales of completed properties held for sale is recognised upon signing of sale and purchase agreement and when its income can be reasonably ascertained.

## Notes to the Financial Statements

### 30 June 2008

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.19 Revenue recognition (continued)

- (f) Dividend income

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

- (g) Interest income

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

- (h) Rental income

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

##### 4.20 Earnings per share

The Group presents basic and where applicable, diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

##### 4.21 Segment reporting

Segment reporting is presented for enhanced assessment of the Group's risks and returns. Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those components operating in other economic environments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expense, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process, except to the extent that such intragroup balances and transactions are between Group enterprises within a single segment.

#### 5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS

##### 5.1 New FRS and amendments to FRS adopted

On 1 July 2007, the Group and the Company adopted the following new FRS, amendments to FRS, new IC Interpretations and Framework:

Amendment to FRS 121, *The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation*

IC Interpretation 1, *Changes in Existing Decommissioning, Restoration and Similar Liabilities*

IC Interpretation 2, *Members' Shares in Co-operative Entities and Similar Instruments*

IC Interpretation 5, *Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*

## 5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (CONTINUED)

### 5.1 New FRS and amendments to FRS adopted (continued)

On 1 July 2007, the Group and the Company adopted the following new FRS, amendments to FRS, new IC Interpretations and Framework (continued):

IC Interpretation 6, *Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment*

IC Interpretation 7, *Applying the Restatement Approach under FRS 129<sub>2004</sub> Financial Reporting in Hyperinflationary Economies*

IC Interpretation 8, *Scope of FRS 2 Share-based Payment*

FRS 107, *Cash Flow Statements*

FRS 111, *Construction Contracts*

FRS 112, *Income Taxes*

FRS 118, *Revenue*

FRS 119, *Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures*

FRS 120, *Accounting for Government Grants and Disclosure of Government Assistance*

FRS 124, *Related Party Disclosures*

FRS 137, *Provisions, Contingent Liabilities and Contingent Assets*

*Framework for the Preparation and Presentation of Financial Statements ("Framework")*

The adoption of FRS 124 gives rise to additional disclosures but did not result in changes in accounting policies of the Group and of the Company.

The adoption of the other new FRS and amendments to FRS and IC Interpretations that are effective for the current financial year does not have a material effect on the financial results and position of the Group and of the Company.

The Framework sets out the concepts that underlie the preparation and presentation of financial statements for external users. It is not an Malaysian Accounting Standards Board ("MASB") approved accounting standard and hence does not define standards for any particular measurement or disclosure issue. The Group has applied this Framework for its annual period beginning 1 July 2007.

### 5.2 FRS and amendments to FRS not adopted

The MASB has also issued FRS 139, *Financial Instruments: Recognition and Measurement*, which is effective 1 January 2010 and that has not been applied in preparing the financial statements. The impact of applying FRS 139 on the financial statements upon initial application as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimate and Errors* is not disclosed by virtue of the exemption given in FRS 139.103 AB.

## 6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

### 6.1 Key sources of estimation uncertainty and critical judgement

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

## Notes to the Financial Statements

30 June 2008

### 6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

#### 6.1 Key sources of estimation uncertainty and critical judgement (continued)

(a) Impairment of goodwill on consolidation

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

(b) Useful lives of property, plant and equipment

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

(c) Property development and construction

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

Significant judgements are required in determining the stage of completion, the extent of the property development/construction costs incurred, the estimated total property development and construction revenue and costs, as well as the recoverability of the development and construction projects. In making the judgements, the Group evaluates based on past experience and by relying on the work of specialists.

(d) Deferred tax assets

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(e) Allowance for doubtful debts

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

(f) Allowance for diminution in value of investments

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

## 7. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.7.2007	Disposals of subsidiaries	Depreciation charge for the financial year	Reclassifications	Transfer to prepaid lease payments for land (Note 9)	Transfer (to)/from investment properties (Note 10)	Transfer from land held for property development (Note 14)	Transfer from/(to) property development cost as at	Balance as at 30.6.2008
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Carrying amount</b>									
Freehold hotel properties	135,584	-	(3,318)	1,776	-	-	-	-	141,231
Leasehold hotel properties	66,921	-	(1,597)	-	-	-	-	-	66,381
Freehold golf course	20,447	-	-	-	-	-	-	-	20,447
Freehold land	50,074	-	-	-	-	(7,549)	4,557	1,756	57,617
Buildings and improvements	33,859	(3)	(946)	-	-	386	-	-	35,497
Jetty and infrastructure	25,120	-	(588)	-	-	-	-	-	24,532
Plant, machinery and electrical installation	10,978	(15)	(4,316)	(1)	-	-	-	-	9,091
Motor vehicles and boats	2,981	(97)	(1,291)	-	-	-	-	-	3,206
Hotel furniture, fittings and equipment	15,403	(27)	(4,576)	6,176	-	-	-	-	23,412
Furniture, fittings and equipment	7,698	(259)	(2,254)	1,110	-	-	-	(36)	8,398
Computers	1,036	(8)	(409)	(10)	-	-	-	-	1,110
Construction-in-progress	10,734	-	-	(9,052)	(1,898)	-	-	1,145	11,388
	380,835	(409)	(19,295)	(414)	(1,898)	(7,163)	4,557	2,865	402,310

Notes to the Financial Statements  
30 June 2008

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	At 30.6.2008		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Freehold hotel properties	147,804	(6,573)	141,231
Leasehold hotel properties	71,612	(5,231)	66,381
Freehold golf course	20,447	-	20,447
Freehold land	57,617	-	57,617
Buildings and improvements	44,456	(8,959)	35,497
Jetty and infrastructure	29,468	(4,936)	24,532
Plant, machinery and electrical installation	61,594	(52,503)	9,091
Motor vehicles and boats	9,248	(6,042)	3,206
Hotel furniture, fittings and equipment	63,628	(40,216)	23,412
Furniture, fittings and equipment	20,508	(12,110)	8,398
Computers	4,751	(3,641)	1,110
Construction-in-progress	11,388	-	11,388
	542,521	(140,211)	402,310

Group	Balance as at				Depreciation charge for the financial year	Reclassifications	Impairment loss	Balance as at
	1.7.2006	Additions	Disposals	Write off				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Carrying amount</b>								
Freehold hotel properties	157,456	162	-	-	(3,255)	(18,779)	-	135,584
Leasehold hotel properties	68,515	-	-	-	(1,594)	-	-	66,921
Freehold golf course	20,447	-	-	-	-	-	-	20,447
Freehold land	32,291	1,371	(2,367)	-	-	18,779	-	50,074
Buildings and improvements	35,131	2,527	-	(199)	(900)	-	(2,700)	33,859
Jetty and infrastructure	25,767	-	-	(50)	(597)	-	-	25,120
Plant, machinery and electrical installation	14,435	1,098	(40)	(2)	(4,513)	-	-	10,978
Motor vehicles and boats	3,169	1,006	(3)	-	(1,191)	-	-	2,981
Hotel furniture, fittings and equipment	16,208	3,559	(42)	(343)	(3,979)	-	-	15,403
Furniture, fittings and equipment	7,699	2,164	(35)	(15)	(2,115)	-	-	7,698
Computers	979	409	(1)	(2)	(349)	-	-	1,036
Construction-in-progress	220	10,514	-	-	-	-	-	10,734
	382,317	22,810	(2,488)	(611)	(18,493)	-	(2,700)	380,835

## 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	At 30.6.2007			Carrying amount RM'000
	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	
Freehold hotel properties	138,839	(3,255)	-	135,584
Leasehold hotel properties	70,555	(3,634)	-	66,921
Freehold golf course	20,447	-	-	20,447
Freehold land	50,074	-	-	50,074
Buildings and improvements	42,313	(5,754)	(2,700)	33,859
Jetty and infrastructure	29,468	(4,348)	-	25,120
Plant, machinery and electrical installation	59,194	(48,216)	-	10,978
Motor vehicles and boats	8,338	(5,357)	-	2,981
Hotel furniture, fittings and equipment	51,285	(35,882)	-	15,403
Furniture, fittings and equipment	18,250	(10,552)	-	7,698
Computers	4,466	(3,430)	-	1,036
Construction-in-progress	10,734	-	-	10,734
	503,963	(120,428)	(2,700)	380,835

Company	Balance as at 1.7.2007 RM'000	Additions RM'000	Disposals RM'000	Write off RM'000	Deprecia- tion charge for the financial year RM'000	Balance as at 30.6.2008 RM'000
<b>Carrying amount</b>						
Furniture, fittings and equipment	165	20	-	(1)	(56)	128
Motor vehicles	107	464	(57)	-	(64)	450
	272	484	(57)	(1)	(120)	578

	At 30.6.2008		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture, fittings and equipment	817	(689)	128
Motor vehicles	659	(209)	450
	1,476	(898)	578

## Notes to the Financial Statements

30 June 2008

### 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Balance as at 1.7.2006 RM'000	Additions RM'000	Write off RM'000	Deprecia- tion charge for the financial year RM'000	Balance as at 30.6.2007 RM'000	
<b>Carrying amount</b>						
Furniture, fittings and equipment	202	33	(10)	(60)	165	
Motor vehicles	159	-	-	(52)	107	
	361	33	(10)	(112)	272	
				<b>At 30.6.2007</b>		
				<b>Cost</b>	<b>Accumulated</b>	
				<b>RM'000</b>	<b>depreciation</b>	
				<b>RM'000</b>	<b>RM'000</b>	
Furniture, fittings and equipment				799	(634)	165
Motor vehicles				259	(152)	107
				1,058	(786)	272

- (a) Property, plant and equipment acquired under hire-purchase

The net carrying amount of the Group's property, plant and equipment under hire-purchase arrangements are as follows:

	<b>Group</b>	
	<b>2008</b> RM'000	<b>2007</b> RM'000
Motor vehicles	37	50

Details of the terms and conditions of the hire-purchase arrangements are disclosed in Note 23 and 40 to the financial statements.

- (b) Security

The freehold land and buildings of the Group with a carrying amount of RM33,640,000 (2007: RM32,542,000) have been charged to banks for credit facilities granted to the Group and the Company (Note 22).

The freehold land with buildings classified as hotel properties of the Group with a carrying amount of RM156,543,000 (2007: RM154,363,000) have been charged to banks for credit facilities granted to the Group and the Company (Note 22).

Other property, plant and equipment of the Group with a carrying amount of RM4,188,000 (2007: RM4,348,000) have been charged to banks for credit facilities granted to the Group (Note 22).

- (c) Construction-in-progress

During the financial year, the Group has entered into agreements to construct buildings for future use as investment property. Cost incurred up to balance sheet date amounted to RM6,324,000.

- (d) Impairment loss

During the financial year, cost of building amounting to RM2,700,000 has been written off against accumulated impairment losses.

## 8. INTANGIBLE ASSETS

	Group	
	2008 RM'000	2007 RM'000
<b>Carrying amount</b>		
Goodwill	6,615	6,615

### *Impairment testing for cash-generating units containing goodwill*

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

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

	Group	
	2008 RM'000	2007 RM'000
Manufacturing and trading	4,230	4,230
Hotel and leisure	2,385	2,385
	6,615	6,615

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

The above estimates are particularly sensitive to fluctuations in the following areas:

- The average occupancy rates and the average room rates.
- The trend of global market for copper and aluminium.

## 9. PREPAID LEASE PAYMENTS FOR LAND

Group	Balance as at 1.7.2007 RM'000	Transfer from property, plant and equipment (Note 7) RM'000	Amortisation charge for the financial year RM'000	Balance as at 30.6.2008 RM'000
	<b>Carrying amount</b>			
Leasehold land	5,909	1,898	(143)	7,664
			-----	-----
		Cost RM'000	At 30.6.2008 Accumulated amortisation RM'000	Carrying amount RM'000
Leasehold land		8,584	(920)	7,664

Notes to the Financial Statements  
30 June 2008

9. PREPAID LEASE PAYMENTS FOR LAND (CONTINUED)

<b>Group</b>	<b>Balance as at 1.7.2006 RM'000</b>	<b>Amortisation charge for the financial year RM'000</b>	<b>Balance as at 30.6.2007 RM'000</b>
<b>Carrying amount</b>			
Leasehold land	5,989	(80)	5,909
	<b>Cost RM'000</b>	<b>At 30.6.2007 Accumulated amortisation RM'000</b>	<b>Carrying amount RM'000</b>
Leasehold land	6,686	(777)	5,909
	<b>Group</b>		
		<b>2008 RM'000</b>	<b>2007 RM'000</b>
Analysed as:			
Long term leasehold land		5,829	5,909
Short term leasehold land		1,835	-
		7,664	5,909

The leasehold land of certain subsidiaries with carrying value of RM5,359,000 (2007: RM5,434,000) are pledged to licensed financial institutions to secure banking facilities granted to certain subsidiaries (Note 22).

10. INVESTMENT PROPERTIES

<b>Group</b>	<b>Balance as at 1.7.2007 RM'000</b>	<b>Transfer from/ (to) property, plant and equipment (Note 7) RM'000</b>	<b>Disposals RM'000</b>	<b>Depreciation charge for the financial year RM'000</b>	<b>Balance as at 30.6.2008 RM'000</b>
<b>Carrying amount</b>					
Freehold land	775	7,549	(2,080)	-	6,244
Buildings	6,077	(386)	-	(131)	5,560
	6,852	7,163	(2,080)	(131)	11,804

**10. INVESTMENT PROPERTIES (CONTINUED)**

	Cost RM'000	At 30.6.2008 Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	6,244	-	6,244
Buildings	6,173	(613)	5,560
	12,417	(613)	11,804
<b>Fair Value</b>			
At 30 June 2008			16,235

Group	Balance as at 1.7.2006 RM'000	Additions RM'000	Disposals RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2007 RM'000
<b>Carrying amount</b>					
Freehold land	775	-	-	-	775
Buildings	6,285	1,870	(1,957)	(121)	6,077
	7,060	1,870	(1,957)	(121)	6,852

	Cost RM'000	At 30.6.2007 Accumulated depreciation RM'000	Carrying amount RM'000
Freehold land	775	-	775
Buildings	6,566	(489)	6,077
	7,341	(489)	6,852
<b>Fair Value</b>			
At 30 June 2007			6,348

Notes to the Financial Statements  
30 June 2008

**10. INVESTMENT PROPERTIES (CONTINUED)**

Company	Balance as at 1.7.2006 RM'000	Disposals RM'000	Depreciation charge for the financial year RM'000	Balance as at 30.6.2007 RM'000
<b>Carrying amount</b>				
Buildings	1,978	(1,957)	(21)	-

Investment properties comprise a number of shop lots and condominium units that are leased to third parties. Each of the leases contains an initial non-cancellable period of one year (Note 26). Subsequent renewals are negotiated with the lessee. No contingent rents are charged.

The fair value of the investment properties were derived from published property market reports and Directors' assessment.

Investment properties of certain subsidiaries with a carrying value of RM7,615,000 (2007: RM6,411,000) are pledged to licensed financial institutions to secure banking facilities granted to the Company and certain subsidiaries (Note 22).

**11. INVESTMENTS IN SUBSIDIARIES**

	Company	
	2008 RM'000	2007 RM'000
Unquoted equity shares, at cost	447,512	447,512
Less: Impairment losses	(23,655)	(21,655)
	423,857	425,857

## 11. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Equity interest		Principal activities
		2008 %	2007 %	
Damai Laut Golf Resort Sdn. Bhd. and its subsidiary	Malaysia	99	99	Development and investment in resort property, hotel and restaurant business and operation of golf course
DLHA Management Services Sdn. Bhd.	Malaysia	99	99	Provision of property management services
Eframe Sdn. Bhd.	Malaysia	100	100	Software consultancy, product development and maintenance
Eframe Solutions Sdn. Bhd.	Malaysia	100	-	Software consultancy, product development and maintenance
Olympic Cable Company Sendirian Berhad and its subsidiaries	Malaysia	100	100	Manufacturing and sales of cables and wires
Olympic Cable (Singapore) Pte. Ltd.*	Singapore	100	100	Investment holding and trading of cable products
OVI Cables (Vietnam) Co., Ltd.*	Vietnam	100	100	Manufacturing and sales of cables and wires
Olympic Properties Sdn. Bhd.	Malaysia	100	100	Property investment
Pengerang Jaya Pte. Ltd.* and its subsidiaries	Singapore	100	100	Investment holding
Pengerang Jaya Investment Pte. Ltd.*	Singapore	100	100	Investment holding
P.J. (A) Pty. Limited**	Australia	100	100	Investment holding
PJD Construction Sdn. Bhd. and its subsidiaries	Malaysia	100	100	Construction
Acotec-Concrete Products Sdn. Bhd.	Malaysia	100	100	Property investment and rental services
PJD Concrete Land (JB) Sdn. Bhd.	Malaysia	100	100	Property investment
PJD Concrete Land (South) Sdn. Bhd.	Malaysia	100	100	Property investment
PJDPC Malta Sdn. Bhd. (formerly known as PJD Concrete Products Sdn.Bhd.)	Malaysia	100	100	Manufacturing and sale of roofing tiles and concrete wall panels
PJDC International Sdn. Bhd.	Malaysia	100	100	Investment holding
PJDCI Co., Ltd.*	Thailand	78.5	78.5	Investment holding
PJDC Co., Ltd.*	Thailand	88.5	88.5	Construction

Notes to the Financial Statements  
30 June 2008

11. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of company	Country of incorporation	Equity interest		Principal activities
		2008 %	2007 %	
PJD Land Sdn. Bhd.	Malaysia	100	100	Property development
PJD Management Services Sdn. Bhd.	Malaysia	100	100	Provision of property management and facilities services
PJD Malta Sdn. Bhd.	Malaysia	100	100	Trading of building materials
PJD Hotels Sdn. Bhd. and its subsidiaries	Malaysia	100	100	Hotel and restaurant business
MM Hotels Sdn. Bhd.	Malaysia	100	100	Hotel and restaurant business
Superville Sdn. Bhd.	Malaysia	100	100	Investment holding and property development
Swiss-Garden Hotel Management Sdn. Bhd.	Malaysia	100	100	Hotel management and consultancy services
Swiss-Garden International Limited	British Virgin Islands	100	100	Hotel management and consultancy services
Swiss-Garden International Hotel & Resorts (Australia) Pty. Ltd.**	Australia	100	100	Hotel management and consultancy services
Swiss-Garden International Limited**	United Kingdom	100	100	Dormant
Swiss-Garden International Sdn. Bhd.	Malaysia	100	100	Hotel management and consultancy services
Swiss-Garden Rewards Sdn. Bhd.	Malaysia	70	70	Marketing of timeshare memberships
Swiss-Garden Rewards (Singapore) Pte. Ltd.*	Singapore	70	70	Agent providing services to hotel companies
PJD Realty Sdn. Bhd. and its subsidiaries	Malaysia	100	100	Investment holding
Bindev Sdn. Bhd.	Malaysia	100	100	Property development
Bunga Development Sdn. Bhd.	Malaysia	100	100	Property development
Harbour Place Management Services Sdn. Bhd.	Malaysia	100	100	Provision of property management services
HTR Management Services Sdn. Bhd.	Malaysia	100	100	Provision of property management services
Kota Mulia Sdn. Bhd.	Malaysia	100	100	Property development and investment
Kulai Management Services Sdn. Bhd.	Malaysia	100	100	Provision of property management services
K.G. Management Services Sdn. Bhd.	Malaysia	-	100	Provision of property management services

**11. INVESTMENTS IN SUBSIDIARIES (CONTINUED)**

Name of company	Country of incorporation	Equity interest		Principal activities
		2008 %	2007 %	
OLP Management Services Sdn. Bhd	Malaysia	-	100	Provision of property management services
PJD-MM2H Sdn. Bhd.	Malaysia	100	100	Licensed agent to handle applications for Malaysia My Second Home programme
PJD Eastern Land Sdn. Bhd.	Malaysia	100	100	Property development and investment
PJD Paragon Development Sdn. Bhd.	Malaysia	-	100	Property development
PJD Properties Management Sdn. Bhd.	Malaysia	100	100	Provision of project management services
PJD Regency Sdn. Bhd.	Malaysia	100	100	Property development
PTC Management Services Sdn. Bhd	Malaysia	100	100	Provision of property management services
Putri Kulai Sdn. Bhd. (formerly known as Putri Kulai Recreational Club Sdn. Bhd.)	Malaysia	100	100	Management and operation of recreational club
Rose Villa Management Services Sdn. Bhd.	Malaysia	100	100	Provision of property management services
Sanubari Sejahtera Sdn. Bhd.	Malaysia	100	100	Property development
Pravest Sdn. Bhd.	Malaysia	100	-	Property development
PJ Equity Sdn. Bhd.	Malaysia	100	100	Investment holding and trading
PJ Exim Sdn. Bhd.	Malaysia	100	100	Trading of cable products
Swiss-Garden International Vacation Club Berhad	Malaysia	100	100	Operation and management of timeshare membership scheme
Swiss-Garden Management Services Sdn. Bhd.	Malaysia	100	100	Hotel and restaurant business
PKM Management Services Sdn. Bhd.	Malaysia	100	100	Provision of property management services
Wahyu Sdn. Bhd.	Malaysia	100	100	Dormant

\* Audited by member firms of BDO International.

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

An impairment loss of RM2,000,000 relating to investment in a subsidiary, PJD Malta Sdn. Bhd., has been recognised during the financial year due to declining business as a result of transfer of its business operations to another subsidiary.

## Notes to the Financial Statements

30 June 2008

### 12. INVESTMENTS IN ASSOCIATES

	Group	
	2008 RM'000	2007 RM'000
Unquoted equity shares in Malaysia, at cost	2	2
Unquoted equity shares in overseas, at cost	23,919	23,919
	23,921	23,921
Share of post acquisition reserves, net of dividends received	79,310	13,511
	103,231	37,432

The details of the associates are as follows:

Name of company	Country of incorporation	Equity interest		Principal activities
		2008 %	2007 %	
Sun-PJDC Sdn. Bhd.*	Malaysia	50.00	50.00	Securing and carrying out construction contracts
Equity & Property Investment Corporation Limited	Australia	27.40	27.40	Hotel ownership, property investment, property development and equity investment

\* Equity accounted using management financial statements.

The summarised financial information of the associates are as follows:

	2008 RM'000	2007 RM'000
<b>Assets and liabilities</b>		
Non-current assets	30,250	159,610
Current assets	458,704	72,495
Total assets	488,954	232,105
Non-current liabilities	(198)	(5,018)
Current liabilities	(112,012)	(99,662)
Total liabilities	(112,210)	(104,680)

**12. INVESTMENTS IN ASSOCIATES (CONTINUED)**

	2008 RM'000	2007 RM'000
<b>Results</b>		
Revenue	42,497	98,969
Profit for the financial year	241,559	3,818

**13. OTHER INVESTMENTS**

	Group	
	2008 RM'000	2007 RM'000
<b>Non-current</b>		
Unquoted shares in Malaysia, at cost	34	34
Quoted shares in Malaysia, at cost	61,843	58,920
Less: Allowance for diminution in value	(15,616)	(8,917)
	46,227	50,003
Quoted warrants in Malaysia, at cost	482	482
Less: Allowance for diminution in value	(257)	-
	225	482
	46,486	50,519
Market value:		
Quoted shares in Malaysia	46,227	84,858
Quoted warrants in Malaysia	225	756

An allowance for diminution in value of RM6,956,000 has been recognised during the financial year due to declining market prices.

Certain quoted shares and warrants in Malaysia with a carrying value of RM43,553,000 (2007: RM50,016,000) have been pledged to licensed financial institutions as security for banking facilities granted to the Company (Note 22).

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

## Notes to the Financial Statements

30 June 2008

### 14. LAND HELD FOR PROPERTY DEVELOPMENT

	Note	Group	
		2008 RM'000	2007 RM'000
<b>Carrying amount</b>			
Opening balance		79,895	106,295
Additions		22,942	2,053
Acquired in business combination	36	25,195	-
Write off		-	(15)
Transfer to property development costs	17	(5,727)	(24,949)
Transfer to property, plant and equipment	7	(4,557)	-
Charged to income statement		-	(3,489)
Closing balance		117,748	79,895
Representing:			
Land		103,812	62,576
Land development costs		13,936	17,319
		117,748	79,895

Certain land held for property development with a carrying value of RM28,798,000 (2007: RM33,780,000) have been pledged to licensed banks for banking facilities granted to certain subsidiaries (Note 22).

### 15. DEFERRED TAX

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

	Group	
	2008 RM'000	2007 RM'000
Opening balance	2,700	3,847
Acquired in business combination	3,799	-
Recognised in income statement (Note 31)	1,913	(1,147)
Closing balance	8,412	2,700
Presented after appropriate offsetting:		
Deferred tax assets, net	(3,752)	(4,362)
Deferred tax liabilities, net	12,164	7,062
	8,412	2,700

**15. DEFERRED TAX (CONTINUED)**

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

**Deferred tax liabilities of the Group**

	Property development costs RM'000	Property, plant and equipment RM'000	Set off of tax RM'000	Fair value adjustments RM'000	Total RM'000
At 1 July 2006	(2,988)	(10,934)	6,668	-	(7,254)
Recognised in the income statement	-	(1,506)	1,698	-	192
At 30 June 2007	(2,988)	(12,440)	8,366	-	(7,062)
Recognised in the income statement	1	(3,319)	1,928	87	(1,303)
Acquired in business combination	(3,799)	-	-	-	(3,799)
At 30 June 2008	(6,786)	(15,759)	10,294	87	(12,164)

**Deferred tax assets of the Group**

	Allowances RM'000	Unused tax losses and unabsorbed capital allowances RM'000	Property, plant and equipment RM'000	Property development costs RM'000	Revaluation RM'000	Deductible temporary differences RM'000	Set off of tax RM'000	Total RM'000
At 1 July 2006	872	5,892	-	-	-	3,311	(6,668)	3,407
Recognised in the income statement	(455)	2,617	-	2,463	9	(1,981)	(1,698)	955
At 30 June 2007	417	8,509	-	2,463	9	1,330	(8,366)	4,362
Recognised in the income statement	1,191	1,707	24	(265)	(9)	(1,330)	(1,928)	(610)
At 30 June 2008	1,608	10,216	24	2,198	-	-	(10,294)	3,752

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

	Group	
	2008 RM'000	2007 RM'000
Deductible temporary differences	13,217	12,784
Taxable temporary differences	(45,119)	(43,823)
Unused tax losses	35,467	36,265
Unabsorbed capital allowances	55,809	56,411
	59,374	61,637

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profit of the subsidiaries will be available against which the deductible temporary differences can be utilised.

Notes to the Financial Statements  
30 June 2008

16. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<b>Non-current Trade</b>					
Third parties	a	25,876	20,678	-	-
Retention sum - associate	d	3,797	-	-	-
- third parties	d	12,674	3,278	-	-
		42,347	23,956	-	-
<b>Non-trade</b>					
Subsidiaries	b	-	-	242,774	251,940
	g	42,347	23,956	242,774	251,940
<b>Current Trade</b>					
Third parties	a	157,158	100,500	-	-
Associate	a	17,459	18,058	-	-
Accrued billings		8,438	44,116	-	-
Amount due from customers for contract works	c	41,915	22,053	-	-
Retention sum – associate	d	-	4,776	-	-
- third parties	d	8,966	9,001	-	-
		233,936	198,504	-	-
Less: Allowance for doubtful debts – third parties	e	(6,647)	(4,886)	-	-
Allowance for likely withdrawal – third parties		-	(75)	-	-
		227,289	193,543	-	-
<b>Non-trade</b>					
Associate		5	-	-	-
Subsidiary	b	-	-	55	-
Other receivables	f	29,226	45,940	304	442
Deposits	f	9,190	10,075	25	17
Prepayments		2,168	2,235	157	141
		40,589	58,250	541	600
Less: Allowance for doubtful debts – other receivables		(198)	(198)	-	-
		40,391	58,052	541	600
	g	267,680	251,595	541	600

**16. TRADE AND OTHER RECEIVABLES (CONTINUED)**

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

Trade receivables of the Group include timeshare membership fees amounting RM43,541,000 (2007: RM31,990,000) receivable from customers via monthly instalments ranging from 12 to 60 months.

- (b) Amount owing by subsidiaries is in respect of advances, which are unsecured and interest-free, except for RM223,939,000 (2007: RM236,037,000) which is subject to interest at 1.16% (2007: 1.21%) per annum.

The non-current amount due is not receivable within the next twelve months except in so far as such repayment will not adversely affect the ability of the subsidiaries to meet their liabilities when due.

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

	Note	Group	
		2008 RM'000	2007 RM'000
Aggregate costs incurred to date		1,101,202	822,585
Add: Attributable profits		67,385	54,334
		1,168,587	876,919
Less: Progress billings		(1,159,750)	(895,710)
		8,837	(18,791)
Amount due to customers for contract works	24	33,078	40,844
		41,915	22,053

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

	Group	
	2008 RM'000	2007 RM'000
Within 1 year	8,966	13,777
1 – 2 years	5,694	226
2 – 3 years	10,777	3,052
	25,437	17,055

- (e) During the financial year, third party trade receivables of RM2,086,000 has been written off against allowance for doubtful debts.

- (f) Included in other receivables of the Group are advances to and payments made on behalf of subcontractors amounting to RM8,845,000 (2007: RM4,986,000), which are unsecured, interest-free and have no fixed terms of repayment.

In the previous financial year, included in the deposits of the Group was deposit paid for the acquisition of land which was amounted to RM3,000,000.

## Notes to the Financial Statements

30 June 2008

### 16. TRADE AND OTHER RECEIVABLES (CONTINUED)

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

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Ringgit Malaysia	279,356	248,462	243,315	252,540
Thai Baht	25,004	22,104	-	-
Australian Dollar	2,086	140	-	-
Singapore Dollar	160	52	-	-
US Dollar	2,771	2,431	-	-
Vietnamese Dong	609	2,181	-	-
Euro	41	141	-	-
Sterling Pound	-	40	-	-
	310,027	275,551	243,315	252,540

### 17. PROPERTY DEVELOPMENT COSTS

	Note	Group	
		2008 RM'000	2007 RM'000
Opening balance			
Land		180,989	112,392
Development costs		456,096	428,169
Accumulated costs charged to the income statement		(375,919)	(370,767)
		261,166	169,794
Transfer from land held for property development	14	5,727	24,949
Transfer to property, plant and equipment	7	(2,865)	-
Transfer to completed properties held for sale		(9,747)	-
Acquisition of land		11,855	30,518
Development costs incurred during the year		158,011	123,710
Cost charged to income statement for the year		(134,475)	(87,422)
Completed developments			
- Reversal of development costs		(246,192)	(78,650)
- Reversal of costs charged to income statement		246,192	78,267
		28,506	91,372
Closing balance		289,672	261,166
Represented by:			
Land		164,402	180,989
Development costs		389,472	456,096
Accumulated costs charged to the income statement		(264,202)	(375,919)
		289,672	261,166

**17. PROPERTY DEVELOPMENT COSTS (CONTINUED)**

Included in the property development costs are the following charges incurred during the financial year:

	Group	
	2008 RM'000	2007 RM'000
Interest expense	5,527	4,242

Interest is capitalised in property development costs at rates ranging from 1.16% to 8.25% (2007: 1.21% to 8.25%) per annum.

The portion of property development costs in respect of which significant development work has been undertaken and which is expected to be completed within the normal operating cycle is considered as a current asset.

Certain land under development with a carrying value of RM225,110,000 (2007: RM275,236,000) have been pledged to licensed banks for banking facilities granted to certain subsidiaries (Note 22).

**18. INVENTORIES**

	Group	
	2008 RM'000	2007 RM'000
<b>At cost</b>		
Completed properties held for sale	11,980	2,667
Raw materials	4,806	9,225
Consumables	1,938	1,814
Work-in-progress	2,817	3,738
Finished goods	9,653	10,771
	31,194	28,215
<b>At net realisable value</b>		
Raw materials	861	-
Finished goods	2,058	1,341
	2,919	1,341
	34,113	29,556

In 2008, inventories recognised as cost of sales amounted to RM154,425,000 (2007: RM164,886,000), while the write down of inventories to their net realisable value amounted to RM3,984,000 (2007: RM1,650,000). The write down is included in cost of sales.

## Notes to the Financial Statements

30 June 2008

### 19. CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Cash and bank balances	a	42,990	15,417	6,215	676
Deposits with licensed banks	b	13,831	17,204	-	-
	c	56,821	32,621	6,215	676

- (a) Included in the Group's cash and bank balances is an amount of RM26,506,000 (2007: RM4,827,000) held under Housing Development Account maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966.
- (b) Included in deposits placed with licensed banks is an amount of RM11,176,000 (2007: RM13,312,000) pledged for bank guarantee facilities granted to certain subsidiaries.
- (c) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Ringgit Malaysia	43,679	17,868	6,215	676
Thai Baht	11,427	14,602	-	-
Vietnamese Dong	1,564	124	-	-
Australian Dollar	103	-	-	-
Singapore Dollar	48	27	-	-
	56,821	32,621	6,215	676

- (d) Information on the financial risks of cash and bank balances and deposits with licensed banks are disclosed in Note 40 to the financial statements.

### 20. SHARE CAPITAL AND TREASURY SHARES

	Group and Company			
	2008		2007	
	RM'000	Number of shares '000	RM'000	Number of shares '000
Ordinary shares of RM1.00 each:				
Authorised	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid	456,132	456,132	456,132	456,132

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

## 20. SHARE CAPITAL AND TREASURY SHARES (CONTINUED)

### (a) Treasury Shares

The shareholders of the Company, by an ordinary resolution passed in the annual general meeting held on 23 November 2005, approved the Company's proposal to repurchase up to 10% of its own shares ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed during each subsequent annual general meeting. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back is the best interest of the Company and its shareholders.

During the financial year, Company repurchased 100,000 ordinary shares of its issued share capital from the open market. The average price paid for the shares repurchased was RM0.64 per share. The repurchase transactions were financed by internally generated funds and the shares repurchased were retained as treasury shares.

Details of the repurchase of shares were as follows:

<b>2008</b>			<b>Purchase price RM</b>	<b>Number of shares purchased</b>	<b>Total consideration RM</b>
June 2007			0.64	100,000	64,377
<b>2007</b>	<b>Average purchase price RM</b>	<b>Highest purchase price RM</b>	<b>Lowest purchase price RM</b>	<b>Number of shares purchased</b>	<b>Total consideration RM</b>
August 2006	0.39	0.40	0.39	100,000	39,645

Of the total 456,132,000 (2007: 456,132,000) issued and fully paid ordinary shares of RM1.00 each as at 30 June 2008, 200,000 (2007: 100,000) ordinary shares of RM1.00 each with a cumulative total consideration amounting to RM104,000 (2007: RM40,000) are held as treasury shares by the Company. The number of outstanding shares in issue after the share buy-back is 455,932,000 (2007: 456,032,000) ordinary shares of RM1.00 each as at 30 June 2008.

### (b) Warrants

#### Warrants B

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

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

As at 30 June 2008, 114,032,898 Warrants B have yet to be converted to ordinary shares.

## Notes to the Financial Statements

30 June 2008

### 21. RESERVES

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Non-distributable:					
Share premium	a	39,773	39,773	39,773	39,773
Exchange translation reserve	b	4,730	(1,459)	-	-
		44,503	38,314	39,773	39,773
Distributable:					
Retained earnings	c	292,301	207,380	52,529	51,892
		336,804	245,694	92,302	91,665

(a) Share premium

The share premium is arrived at after accounting for the premium received less expenses over the nominal value of shares issued to the public, less the subsequent capitalisation for bonus issue of the Company.

(b) Exchange translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(c) Retained earnings

Effective 1 January 2008, the Company is given the option to make an irrevocable election to move to a single tier system or continue to use its tax credit under Section 108 of the Income Tax Act 1967 for the purpose of dividend distribution until the tax credit is fully utilised or latest by 31 December 2013.

The Company has decided not to make this election and has sufficient tax credit under Section 108 of the Income Tax Act 1967 and balance in the tax exempt account to frank the payment of dividends out of its entire retained earnings without incurring additional tax liability.

## 22. BORROWINGS

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<b>Non-current liabilities</b>					
Secured term loans		117,681	81,778	16,149	25,312
Unsecured term loans		2,884	-	-	-
Hire-purchase creditors	23	-	10	-	-
		120,565	81,788	16,149	25,312
<b>Current liabilities</b>					
Secured term loans		16,733	25,842	3,539	11,563
Unsecured term loans		11,263	-	-	-
Secured bank overdrafts	35	9,827	2,971	226	-
Unsecured bank overdrafts	35	24,096	2,327	-	-
Secured bankers' acceptances		4,655	4,026	-	-
Unsecured bankers' acceptances		32,767	26,398	-	-
Secured revolving credits		96,000	107,000	53,000	65,000
Unsecured revolving credits		12,500	12,500	-	-
Hire-purchase creditors	23	10	19	-	-
Unsecured promissory notes		-	1,531	-	-
		207,851	182,614	56,765	76,563
		328,416	264,402	72,914	101,875
<b>Total borrowings</b>					
Secured term loans		134,414	107,620	19,688	36,875
Unsecured term loans		14,147	-	-	-
Secured bank overdrafts	35	9,827	2,971	226	-
Unsecured bank overdrafts	35	24,096	2,327	-	-
Secured bankers' acceptances		4,655	4,026	-	-
Unsecured bankers' acceptances		32,767	26,398	-	-
Secured revolving credits		96,000	107,000	53,000	65,000
Unsecured revolving credits		12,500	12,500	-	-
Hire-purchase creditors	23	10	29	-	-
Unsecured promissory notes		-	1,531	-	-
		328,416	264,402	72,914	101,875

## Notes to the Financial Statements

30 June 2008

### 22. BORROWINGS (CONTINUED)

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

	Year of maturity	Carrying amount RM'000	Within 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000	Over 5 years RM'000
<b>Group</b>						
<b>2008</b>						
Secured term loans	2017	134,414	16,733	20,869	78,911	17,901
Unsecured term loans	2013	14,147	11,263	758	2,126	-
Secured bank overdrafts	2009	9,827	9,827	-	-	-
Unsecured bank overdrafts	2009	24,096	24,096	-	-	-
Secured bankers' acceptances	2009	4,655	4,655	-	-	-
Unsecured bankers' acceptances	2009	32,767	32,767	-	-	-
Secured revolving credits	2009	96,000	96,000	-	-	-
Unsecured revolving credits	2009	12,500	12,500	-	-	-
Hire-purchase creditors	2009	10	10	-	-	-
		<b>328,416</b>	<b>207,851</b>	<b>21,627</b>	<b>81,037</b>	<b>17,901</b>
<b>2007</b>						
Secured term loans	2014	107,620	25,842	24,926	47,712	9,140
Secured bank overdrafts	2008	2,971	2,971	-	-	-
Unsecured bank overdrafts	2008	2,327	2,327	-	-	-
Secured bankers' acceptances	2008	4,026	4,026	-	-	-
Unsecured bankers' acceptances	2008	26,398	26,398	-	-	-
Secured revolving credits	2008	107,000	107,000	-	-	-
Unsecured revolving credits	2008	12,500	12,500	-	-	-
Hire-purchase creditors	2009	29	19	10	-	-
Unsecured promissory notes	2008	1,531	1,531	-	-	-
		<b>264,402</b>	<b>182,614</b>	<b>24,936</b>	<b>47,712</b>	<b>9,140</b>
<b>Company</b>						
<b>2008</b>						
Secured term loans	2014	19,688	3,539	3,930	11,542	677
Secured revolving credits	2009	53,000	53,000	-	-	-
Unsecured bank overdrafts	2009	226	226	-	-	-
		<b>72,914</b>	<b>56,765</b>	<b>3,930</b>	<b>11,542</b>	<b>677</b>
<b>2007</b>						
Secured term loans	2013	36,875	11,563	9,163	12,117	4,032
Secured revolving credits	2008	65,000	65,000	-	-	-
		<b>101,875</b>	<b>76,563</b>	<b>9,163</b>	<b>12,117</b>	<b>4,032</b>

**22. BORROWINGS (CONTINUED)**

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

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Ringgit Malaysia	314,269	264,402	72,914	101,875
US Dollar	14,147	-	-	-
	328,416	264,402	72,914	101,875

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

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

- (d) In connection with the term loan agreements, the Company and certain subsidiaries have agreed to certain significant covenants, which include the following:
- i) not to amend the Memorandum and Articles of Association in a manner inconsistent with the provisions of the lenders' Letters of Offer;
  - ii) not to sell, lease or transfer all or any substantial part of its assets;
  - iii) not to allow any change in its existing shareholders or their shareholdings and/or undertake a scheme or merger or amalgamation;
  - iv) not to decrease the authorised or issued share capital; and
  - v) not to enter into any partnership, profit-sharing or royalty agreements whereby income or profits may be shared with other persons;

subject to the consent of the lenders.

- (e) Information on financial risks of borrowings are disclosed in Note 40 to the financial statements.

## Notes to the Financial Statements

30 June 2008

### 23. HIRE-PURCHASE CREDITORS

	Note	Group	
		2008 RM'000	2007 RM'000
Minimum hire-purchase payments:			
- not later than one year		11	21
- later than one year and not later than five years		-	11
Total minimum hire-purchase payments		11	32
Less: Future interest charges		(1)	(3)
Present value of hire-purchase liabilities		10	29
Repayable as follows:			
Current liabilities:			
- not later than one year	22	10	19
Non-current liabilities:			
- later than one year and not later than five years	22	-	10
		10	29

Information on financial risks of hire-purchase creditors is disclosed in Note 40 to the financial statements.

### 24. DEFERRED INCOME

	Note	Group	
		2008 RM'000	2007 RM'000
<b>Non-current</b>			
Membership fees		34,955	30,200
<b>Current</b>			
Amount due to customers for contract works	16(c)	33,078	40,844
Membership fees		2,261	1,462
		35,339	42,306

Deferred membership fees represent membership fees received and receivable from members which are recognised based on the benefit to be enjoyed over the membership period.

**25. TRADE AND OTHER PAYABLES**

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<b>Non-current</b>					
<b>Trade</b>					
Retention sum - third parties	d	4,413	1,697	-	-
<b>Non-trade</b>					
Third parties	a	-	12,154	-	-
Subsidiaries	b	-	-	41,296	31,223
	f	4,413	13,851	41,296	31,223
<b>Current</b>					
<b>Trade</b>					
Third parties	c	103,211	58,252	-	-
Progress billings in respect of property development		7,836	4,268	-	-
Retention sum – third parties	d	20,603	16,003	-	-
		131,650	78,523	-	-
<b>Non-trade</b>					
Subsidiary		-	-	14,078	-
Other payables	e	27,921	17,334	87	1,291
Accruals		22,057	15,705	366	972
		49,978	33,039	14,531	2,263
	f	181,628	111,562	14,531	2,263

(a) In the previous financial year, non-current payables represented balances of amount payable for the acquisition of land.

(b) Amount owing to subsidiaries is in respect of advances, which are unsecured and interest-free, except for RM15,633,000 (2007: RM13,766,000), which is subject to interest rate ranging from 5.00% to 7.75% (2007: 5.00% to 7.50%) per annum.

The non-current amount due is not payable within the next twelve months except in so far as such repayment will not adversely affect the ability of the Company to meet its liabilities when due.

(c) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days.

## Notes to the Financial Statements

30 June 2008

### 25. TRADE AND OTHER PAYABLES (CONTINUED)

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

	Group	
	2008 RM'000	2007 RM'000
Within 1 year	20,603	16,003
1 – 2 years	3,939	1,186
2 – 3 years	168	511
3 – 4 years	306	-
	25,016	17,700

- (e) Other payables include enrolment fees payable to Interval International Inc. of RM344,000 (2007: Nil) and Resort Condominiums International LCC of RM3,975,000 (2007: RM3,799,000) to activate the exchange facility granted to timeshare members which allows them to exchange their holiday accommodation through the exchange network.

- (f) The currency exposure profile of payables are as follows:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Ringgit Malaysia	179,364	118,745	55,827	33,486
Thai Baht	6,123	6,533	-	-
Australian Dollar	220	9	-	-
Singapore Dollar	57	23	-	-
Swedish Krona	35	90	-	-
US Dollar	218	-	-	-
Vietnamese Dong	11	-	-	-
Euro	13	13	-	-
	186,041	125,413	55,827	33,486

### 26. COMMITMENTS

- (a) Operating leases commitments

- (i) The Group as lessee

The Group had entered into non-cancellable operating lease arrangements for office lots under operating leases for a term of one to three years, with an option to renew the leases. None of the leases include contingent rentals. The Group and the Company have aggregate future minimum lease commitments as at the balance sheet date as follows:

**26. COMMITMENTS (CONTINUED)**

## (a) Operating leases commitments (continued)

## (i) The Group as lessee (continued)

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Less than one year	1,555	1,721	15	22
Between one and five years	1,039	2,576	7	36
	2,594	4,297	22	58

## (ii) The Group as lessor

The Group had entered into non-cancellable lease arrangements on certain investment properties and investment properties under construction included in construction-in-progress for a term of one to thirty years. The Group has future minimum lease receivables aggregate as at balance sheet date as follows:

	Group	
	2008 RM'000	2007 RM'000
Less than one year	1,100	22
Between one and five years	6,579	16
Later than five years	38,806	-
	46,485	38

## (b) Capital and other commitments

	Group	
	2008 RM'000	2007 RM'000
<b>Property, plant and equipment</b>		
Contracted but not provided for and payable:		
- Within one year	13,855	6,967
<b>Land held for development</b>		
Contracted but not provided for and payable:		
- Within one year	21,868	4,000
- One year or later and no later than five years	-	4,000
- Later than five years	-	4,500
	35,723	19,467

## Notes to the Financial Statements

30 June 2008

### 27. CONTINGENCIES

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	Company	
	2008 RM'000	2007 RM'000
<b>Guarantees</b>		
Corporate guarantees given to financial institutions relating to borrowings of subsidiaries	514,311	421,273
Corporate guarantees given to third parties relating to credit facilities granted to subsidiaries	28,040	24,040
	542,351	445,313

#### Contingent liabilities not considered remote

##### *Litigation (unsecured)*

Swiss-Garden International Vacation Club Berhad ("SGIVCB"), a wholly-owned subsidiary of the Company, has initiated a civil suit against Swiss Marketing Corporation Sdn. Bhd. ("the external agent").

The civil suit taken by SGIVCB against the external agent was in respect of the wrongful repudiation of the Marketing Agreement entered into by the parties on 2 July 2001, resulting in SGIVCB suffering losses and damages. In this civil suit, the external agent had filed a counter claim against SGIVCB.

The counter claim by the external agent against SGIVCB was dismissed with cost by the judge on 9 March 2007.

The Case Management in respect of the civil suit taken by SGIVCB against the external agent has been further postponed to 2 December 2008.

### 28. REVENUE

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Sale of goods	214,562	200,029	-	-
Property development revenue	184,388	124,017	-	-
Services rendered	93,215	83,347	3,300	3,417
Contract revenue	182,256	138,050	-	-
Dividend income - subsidiaries	-	-	30,473	30,025
- other investments	5,608	3,915	-	-
	680,029	549,358	33,773	33,442

**29. COST OF SALES**

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Inventories sold	160,335	158,752	-	-
Property development costs	135,181	89,064	-	-
Services rendered	37,947	34,778	6,756	6,401
Contract works	169,093	123,394	-	-
	502,556	405,988	6,756	6,401

**30. PROFIT BEFORE TAX**

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Profit before tax is arrived at after charging:					
Allowance for doubtful debts		3,943	2,532	-	-
Allowance for diminution in value of other investments		6,956	870	-	-
Amortisation of prepaid lease payments for land	9	143	80	-	-
Auditors' remuneration:					
- statutory audit					
- current year		347	299	37	34
- under provision in prior years		6	34	2	-
- other services		22	57	9	49
Bad debts written off		114	186	-	-
Depreciation on:					
- investment properties	10	131	121	-	21
- property, plant and equipment	7	19,295	18,493	120	112
Direct operating expenses of investment properties:					
- generated rental income		89	121	-	69
- did not generate rental income		23	23	-	-
Directors' remuneration					
- Salaries and other emoluments		6,029	4,621	3,365	3,235
- Directors' fees					
- current year		76	100	76	100
- over provision in prior year		(12)	-	(12)	-

Notes to the Financial Statements  
30 June 2008

**30. PROFIT BEFORE TAX (CONTINUED)**

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Profit before tax is arrived at after charging (continued):					
Impairment losses on:					
- investments in subsidiaries		-	-	2,000	-
- property, plant and equipment	7	-	2,700	-	-
Interest expense on:					
- bank overdrafts		2,057	1,636	630	604
- bankers' acceptances		1,573	1,145	-	-
- hire-purchase creditors		2	-	-	-
- promissory notes		47	-	-	-
- revolving credits		4,430	4,255	3,704	3,549
- term loans		2,684	3,409	2,028	2,693
- trust receipts		21	-	-	-
- subsidiaries		-	-	918	862
Inventories write down		3,984	1,650	-	-
Inventories written off		75	-	-	-
Land held for property development written off	14	-	15	-	-
Liquidated and ascertained damages paid		-	2	-	-
Property, plant and equipment written off	7	414	611	1	10
Rental expense on land and buildings		2,076	1,593	15	19
Rental of equipment		493	424	2	3
Replacement cost for operating equipment		1,030	349	-	-
Research and development expensed as incurred		5,038	4,413	-	-
Realised loss on foreign exchange		49	1	-	-
Unrealised loss on foreign exchange		-	1	-	-
And crediting:					
Allowance for doubtful debts no longer required		96	224	-	-
Allowance for likely withdrawal no longer required		75	-	-	-
Bad debt recovered		11	-	-	-
Gross dividends received from:					
- shares quoted in Malaysia		5,519	3,826	-	-
- subsidiaries		-	-	30,473	30,025
- unquoted shares		89	89	-	-

**30. PROFIT BEFORE TAX (CONTINUED)**

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
And crediting (continued):					
Gain on disposal of:					
- investment properties		161	1,033	-	1,033
- other investments		221	871	-	-
- property, plant and equipment		250	963	-	8
- subsidiaries	37	33	-	-	-
Interest income received from:					
- fixed deposits		743	1,097	-	-
- housing development account		435	188	-	-
- subsidiaries		-	-	2,882	3,086
- others		242	301	-	-
Rental income from land and buildings		3,642	3,480	-	117

The estimated monetary value of the benefits-in-kind received by the Directors otherwise than in cash from the Group and the Company amounted to RM49,000 and RM21,000 (2007: RM61,000 and RM21,000) respectively.

**31. TAX EXPENSE**

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Current tax expense based on profit for the financial year:				
Malaysian income tax	19,095	11,018	1,708	5,501
Foreign income tax	-	353	-	-
	19,095	11,371	1,708	5,501
(Over)/Under provision in prior years:				
Malaysian income tax	(199)	301	45	41
	18,896	11,672	1,753	5,542
Deferred tax (Note 15):				
Relating to origination and reversal of temporary differences	512	(1,223)	-	-
Under provision in prior years	1,401	76	-	-
	1,913	(1,147)	-	-
	20,809	10,525	1,753	5,542

## Notes to the Financial Statements

30 June 2008

### 31. TAX EXPENSE (CONTINUED)

The Malaysian income tax is calculated at the statutory tax rate of 26% (2007: 27%) of the estimated taxable profit for the fiscal year. The Malaysian statutory tax rate has been reduced to 26% from the previous year's rate of 27% for the fiscal year of assessment 2008 and to 25% for fiscal year of assessment 2009 onwards. The computation of deferred tax as at 30 June 2008 has reflected these changes.

Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.

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

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Tax at Malaysian statutory tax rate of 26% (2007: 27%)	31,867	14,310	5,009	5,963
Tax effect in respect of:				
Non-allowable expenses	6,046	3,593	1,676	191
Non-taxable income	(1,716)	(1,005)	(4,994)	-
Utilisation of previously unrecognised deferred tax assets	(1,731)	(3,002)	-	(172)
Deferred tax assets not recognised during the year	549	273	-	-
Tax exempt income	-	(675)	-	(675)
Tax incentives and allowances	(423)	(3,867)	-	-
Reduction in deferred taxes resulting from reduction in tax rate	636	876	(1)	1
Share of post tax results of associates	(14,826)	(148)	-	-
Effect of different tax rate for chargeable income up to RM500,000 (2007:RM500,000)	(239)	(230)	-	-
Effect of different tax rate in foreign jurisdiction	(581)	(77)	-	-
Others	25	100	18	193
	19,607	10,148	1,708	5,501
(Over)/Under provision of tax expense in prior year	(199)	301	45	41
Under provision of deferred tax in prior years	1,401	76	-	-
	20,809	10,525	1,753	5,542

Tax savings of the Group and the Company are as follows:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Arising from utilisation of previously unrecognised capital allowances	804	251	-	172
Arising from utilisation of previously unrecognised tax losses	927	14	-	-

### 32. EARNINGS PER ORDINARY SHARE

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year, after taking into consideration of treasury shares held by the Company.

	Group	
	2008 RM'000	2007 RM'000
Profit attributable to equity holders of the Company (RM'000)	101,794	42,377
Weighted average number of ordinary shares in issue (in '000)	456,132	456,132
Treasury shares held (in '000)	(101)	(87)
Adjusted weighted average number of ordinary shares applicable to basic earnings per share (in '000)	456,031	456,045
Basic earning per share (sen)	22.32	9.29

(b) Diluted

The diluted earnings per share figures are not shown as the conversion price of warrants is higher than the Company's share price at the balance sheet date.

### 33. DIVIDENDS

	Group and Company			
	2008		2007	
	Gross dividend per share Sen	Amount of dividend net of tax RM'000	Gross dividend per share Sen	Amount of dividend net of tax RM'000
First and final dividend paid	5	16,873	4	13,316

A final dividend in respect of the financial year ended 30 June 2008 of 5 sen per ordinary share, less tax, amounting to RM17,087,000 has been proposed by the Directors after the balance sheet date for shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the current financial year do not reflect this proposed dividend. This dividend, if approved by shareholders, will be accounted for as an appropriation of retained earnings in the financial year ending 30 June 2009.

## Notes to the Financial Statements

30 June 2008

### 34. EMPLOYEE BENEFITS

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Wages, salaries and bonuses	40,834	37,011	5,224	4,880
Contributions to defined contribution plan	5,784	5,170	827	777
Social security contributions	577	552	27	25
Other benefits	10,407	7,847	499	525
	57,602	50,580	6,577	6,207

### 35. CASH AND CASH EQUIVALENTS FOR CASH FLOW STATEMENTS

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	Note	Group		Company	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Deposits with licensed banks	19	13,831	17,204	-	-
Cash and bank balances	19	42,990	15,417	6,215	676
		56,821	32,621	6,215	676
Bank overdrafts included in borrowings	22	(33,923)	(5,298)	(226)	-
Deposits pledged as securities		(11,176)	(13,312)	-	-
		11,722	14,011	5,989	676

### 36. ACQUISITION OF A SUBSIDIARY

On 20 July 2007, PJD Realty Sdn. Bhd. ("PJDR"), a wholly-owned subsidiary of the Company, acquired the entire issued and paid-up share capital of Pravest Sdn. Bhd., for a cash consideration of RM17,426,000 (inclusive of directly attributable expenses of RM26,000).

**36. ACQUISITION OF A SUBSIDIARY (CONTINUED)**

The fair value and the carrying amount of assets acquired and liabilities assumed are as follows:

	Fair value on acquisition RM'000	Acquiree's carrying amount RM'000
Land held for property development	25,195	10,000
Cash and bank balances	3	3
Other payables	(7,772)	(7,772)
Net assets acquired	17,426	2,231

The cash outflow on acquisitions is as follows:

	2008 RM'000
Purchase consideration, settled in cash	17,426
Cash and cash equivalents of subsidiary acquired	(3)
Net cash outflow on acquisition	17,423

The effect of the acquisition on the financial results of the Group was not material.

**37. DISPOSAL OF SUBSIDIARIES**

On 28 November 2007, PJD Realty Sdn. Bhd., a wholly-owned subsidiary of the Company, disposed of its entire equity interest in PJD Paragon Development Sdn. Bhd. and its subsidiaries, K.G. Management Services Sdn. Bhd. and OLP Management Services Sdn. Bhd., for a cash consideration of RM2,350,000.

The fair value of assets and liabilities of the subsidiaries disposed are as follows:

	2008 RM'000
Property, plant and equipment (Note 7)	68
Trade and other receivables	1,496
Cash and bank balances	2,810
Trade and other payables	(2,057)
Net assets disposed	2,317
Gain on disposal	33
Net proceeds from disposal	2,350
Cash and cash equivalents of subsidiaries disposed	(2,810)
Net cash outflow on disposal	(460)

The effect of the disposal on the financial results of the Group was not material.

## Notes to the Financial Statements

30 June 2008

### 38. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice-versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group has controlling related party relationship with its direct and indirect subsidiaries, associates and Directors.

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

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Related parties:				
Sale of building materials	5,928	5,080	-	-
Insurance premium payable	1,938	1,937	72	63
Progress claim payable	489	741	-	-
Room revenue receivable	192	286	-	-
Rental of premises receivable	4	25	-	-
Rental, internal audit services and disposal of properties	-	3,024	-	3,024
Construction cost billed	10,515	6,388	-	-
Rental of premises payable	1,511	1,144	6	10
Hotel management fees receivable	722	1,628	-	-
Hotel room charges payable	3	122	-	-
Commission payable	-	11	-	-
Purchase of security equipment	26	-	-	-
Compensation receivable	2,384	-	-	-
IT services receivable	2	-	-	-
Subsidiaries:				
Dividend receivable	-	-	30,473	30,025
Interest receivable	-	-	2,882	3,086
Interest payable	-	-	918	862
Facilities charges payable	-	-	5	8
Management fees receivable	-	-	3,300	3,300
Rental payable	-	-	8	9
IT maintenance services payable	-	-	38	-

Material balances with related parties at balance sheet date are disclosed in Note 16 and Note 25 to the financial statements.

These transactions have been entered into the normal course of business and have been established under negotiated commercial terms.

**38. RELATED PARTY DISCLOSURES (CONTINUED)**

## (c) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

The remuneration of the Directors and other key management personnel during the financial year was as follows:

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Short term employee benefits	6,200	4,769	2,914	2,839
Contributions to defined contribution plan	1,016	756	536	517
	7,216	5,525	3,450	3,356

**39. SEGMENT INFORMATION**

## (a) Reporting format

The primary segment reporting format is determined to be business segments, based on the Group's management and internal reporting structure and as the Group's risks and returns are affected predominantly by differences in its products and services offered.

No geographical segment information is presented as the Group's operations and the location of the customers are principally in Malaysia.

Inter-segment pricing is determined based on negotiated commercial terms.

## (b) Business segments

The Group comprises the following main business segments.

## (i) Construction

Securing and carrying out construction contracts.

## (ii) Properties

Property development, provision of property management services, project management services and management and operation of recreational club.

## (iii) Manufacturing and trading

The manufacture and sale of roofing tiles, concrete wall panels, cables and wires and trading of building materials.

## (iv) Hotel and leisure

Hotel and restaurant business, hotel management and consultancy services, golf course operations and marketing and management of timeshare membership scheme.





Notes to the Financial Statements  
30 June 2008

**39. SEGMENT INFORMATION (CONTINUED)**

<b>2007</b>	<b>Construction RM'000</b>	<b>Properties RM'000</b>	<b>Manufacturing and trading RM'000</b>	<b>Hotel and leisure RM'000</b>	<b>Investment holding and trading RM'000</b>	<b>Others RM'000</b>	<b>Consolidated RM'000</b>
<b>Assets</b>							
Segment assets	113,469	436,694	120,580	373,298	60,484	7,790	1,112,315
Unallocated assets							25,945
Investments in associates							37,432
Total assets							<u>1,175,692</u>
<b>Liabilities</b>							
Segment liabilities	86,573	31,293	23,396	53,999	2,352	306	197,919
Unallocated liabilities							275,688
Total liabilities							<u>473,607</u>
<b>Other segment information</b>							
Capital expenditure	847	2,921	3,629	17,270	12	1	24,680
Depreciation	1,176	1,495	5,276	10,530	129	8	18,614
Amortisation	-	-	75	5	-	-	80
Non-cash expenses other than depreciation and amortisation	2	2,702	3	594	10	-	3,311

**40. FINANCIAL INSTRUMENTS**

(a) Financial risk management objectives and policies

The Group's financial risk management objective is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

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

(i) Credit risk

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

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

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

#### 40. FINANCIAL INSTRUMENTS (CONTINUED)

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

(ii) Interest rate risk

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

The following tables set out the carrying amounts and the average effective interest rates as at the balance sheet date of the Group's and the Company's financial assets and financial liabilities that are exposed to interest rate risk and the periods in which they mature, or if earlier, reprice.

Group	Note	Average effective interest rate %	Within 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000	Over 5 years RM'000	Total RM'000
<b>At 30 June 2008</b>							
<b>Fixed rate instruments</b>							
Deposits with licensed banks	19	3.53	13,831	-	-	-	13,831
Hire-purchase creditors	23	2.70	(10)	-	-	-	(10)
			13,821	-	-	-	13,821
<b>Floating rate instruments</b>							
Secured term loans	22	6.23	(134,414)	-	-	-	(134,414)
Unsecured term loans	22	4.72	(14,147)	-	-	-	(14,147)
Secured bank overdrafts	22	7.80	(9,827)	-	-	-	(9,827)
Unsecured bank overdrafts	22	7.97	(24,096)	-	-	-	(24,096)
Secured bankers' acceptances	22	5.05	(4,655)	-	-	-	(4,655)
Unsecured bankers' acceptances	22	4.59	(32,767)	-	-	-	(32,767)
Secured revolving credits	22	5.66	(96,000)	-	-	-	(96,000)
Unsecured revolving credits	22	5.35	(12,500)	-	-	-	(12,500)
			(328,406)	-	-	-	(328,406)
			(314,585)	-	-	-	(314,585)

## Notes to the Financial Statements

30 June 2008

### 40. FINANCIAL INSTRUMENTS (CONTINUED)

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

(ii) Interest rate risk (continued)

Group	Note	Average effective interest rate %	Within 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000	Over 5 years RM'000	Total RM'000
<b>At 30 June 2007</b>							
<b>Fixed rate instruments</b>							
Deposits with licensed banks	19	3.85	17,204	-	-	-	17,204
Hire-purchase creditors	23	2.70	(19)	(10)	-	-	(29)
			<u>17,185</u>	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>17,175</u>
<b>Floating rate instruments</b>							
Secured term loans	22	7.08	(107,620)	-	-	-	(107,620)
Secured bank overdrafts	22	7.75	(2,971)	-	-	-	(2,971)
Unsecured bank overdrafts	22	8.41	(2,327)	-	-	-	(2,327)
Secured bankers' acceptances	22	3.68	(4,026)	-	-	-	(4,026)
Unsecured bankers' acceptances	22	4.08	(26,398)	-	-	-	(26,398)
Secured revolving credits	22	5.59	(107,000)	-	-	-	(107,000)
Unsecured revolving credits	22	5.62	(12,500)	-	-	-	(12,500)
Unsecured promissory notes	22	4.28	(1,531)	-	-	-	(1,531)
			<u>(264,373)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(264,373)</u>
			<u>(247,188)</u>	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>(247,198)</u>

**40. FINANCIAL INSTRUMENTS (CONTINUED)**

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

(ii) Interest rate risk (continued)

Company	Note	Average effective interest rate %	Within 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000	Over 5 years RM'000	Total RM'000
<b>At 30 June 2008</b>							
<b>Floating rate instruments</b>							
Secured term loans	22	7.28	(19,688)	-	-	-	(19,688)
Secured revolving credits	22	6.01	(53,000)	-	-	-	(53,000)
Unsecured bank overdrafts	22	8.25	(226)	-	-	-	(226)
			<u>(72,914)</u>	-	-	-	<u>(72,914)</u>
<b>At 30 June 2007</b>							
<b>Floating rate instruments</b>							
Secured term loans	22	6.98	(36,875)	-	-	-	(36,875)
Secured revolving credits	22	5.98	(65,000)	-	-	-	(65,000)
			<u>(101,875)</u>	-	-	-	<u>(101,875)</u>

(iii) Foreign currency risk

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

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

The Group is also exposed to foreign currency risk in respect of its overseas investments. The Group and the Company do not hedge this exposure with foreign currency borrowings. However, the Board keeps this policy under review.

(iv) Liquidity and cash flow risk

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

## Notes to the Financial Statements

30 June 2008

### 40. FINANCIAL INSTRUMENTS (CONTINUED)

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

(v) Price risk

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

(b) Fair values

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

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

It was not practicable to estimate the fair value of the Company's investment in unquoted shares due to the lack of comparable quoted market prices and the inability to estimate fair value without incurring excessive costs. Unquoted investments in Malaysia are carried at historical cost less allowance for diminution in value of RM34,000 (2007: RM34,000) in the balance sheet. The Group's share of net tangible assets reported by the unquoted company in Malaysia at 31 December 2007 was RM640,000 (31 December 2006: RM605,000).

The fair values of long-term amounts due from/to subsidiaries have not been determined as the timing of the expected cash flows of these balances cannot be reasonably determined without incurring excessive cost due principally to a lack of fixed repayment terms between the parties involved.

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

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

	<b>Group</b>	
	<b>Carrying amount</b>	<b>Fair value</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At 30 June 2008</b>		
Quoted shares in Malaysia	46,227	46,227
Quoted warrants in Malaysia	225	225
<b>At 30 June 2007</b>		
Quoted shares in Malaysia	50,003	84,858
Quoted warrants in Malaysia	482	756
Hire-purchase creditors	(29)	(30)

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

(i) Quoted shares and warrants in Malaysia

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

**40. FINANCIAL INSTRUMENTS (CONTINUED)**

(b) Fair values (continued)

(ii) Hire-purchase creditors

Fair value of hire-purchase creditors had been determined using discounted cash flows technique. The interest rate used to discount estimated cash flows was 2.63%.

**41. SIGNIFICANT EVENTS DURING THE YEAR**

- (a) On 20 July 2007, PJD Realty Sdn. Bhd., a wholly-owned subsidiary of the Company, had completed the acquisition of the entire issued and paid-up share capital in Pravest Sdn. Bhd., a company incorporated in Malaysia, for a cash consideration of RM17,426,000.
- (b) On 6 November 2007, Eframe Solutions Sdn. Bhd. was incorporated and subsequently became a wholly-owned subsidiary of the Company, with an authorised and paid-up share capital of RM100,000 and RM2 respectively.
- (c) On 28 November 2007, PJD Realty Sdn. Bhd., a wholly-owned subsidiary of the Company, disposed of its entire equity interest in PJD Paragon Development Sdn. Bhd. and its subsidiaries, K.G. Management Services Sdn. Bhd. and OLP Management Services Sdn. Bhd., for a cash consideration of RM2,350,000.
- (d) On 3 December 2007, Equity & Property Investment Corporation Limited, an associate of the Company incorporated in Australia, had completed the disposal of its hotel properties and business for a cash consideration of AUD135,000,000.

**42. COMPARATIVES FIGURES**

Certain comparative figures have been reclassified to conform with the current year's presentation.

	Group		Company	
	As restated RM'000	As previously stated RM'000	As restated RM'000	As previously stated RM'000
<b>Balance sheets</b>				
<b>Non-current assets</b>				
Trade and other receivables	23,956	20,678	-	-
<b>Current assets</b>				
Trade and other receivables	251,595	266,290	-	-
<b>Non-current liabilities</b>				
Trade and other payables	13,851	12,154	-	-
<b>Current liabilities</b>				
Trade and other payables	111,562	113,259	-	-
Deferred income	42,306	53,723	-	-
<b>Income statements</b>				
Other expenses	67,899	66,956	731	556
Finance costs	10,445	11,388	7,708	7,883
<b>Cash flow statements</b>				
Net cash used in operating activities	12,411	12,377	-	-
Effect of exchange rate changes	34	-	-	-

## List of Group's Top Ten Properties as at 30 June 2008

Location	Area (sq ft)	Tenure	Description/ Existing Use	Age of Building	Date of Acquisition	Net Book Value (RM'000)
Damai Laut Country Resort Mukim of Lumut District of Dindings Perak Darul Ridzuan	15,044,751	Freehold and leasehold (99 years expiring on 08.06.2094)	Resort & property development	N/A	1990	125,687
Lot 3670, 3673-3677 & Lot 2446 & 2447 Sek. 4, Butterworth Daerah Seberang Prai Utara Pulau Pinang	978,073	Freehold	Land for mixed development	N/A	14.10.1996	77,604
Swiss-Garden Resort & Spa Kuantan Lot PT 7566 Mukim Sungai Karang 26100 Berserah Daerah Kuantan Pahang Darul Makmur	250,512 (built-up)	Freehold	Hotel	10 years 3 months	-	60,055
Geran 50398, Lot 16, Seksyen 47 Kuala Lumpur, Wilayah Persekutuan	65,556	Freehold	Land for commercial development	N/A	15.11.06	59,548
Swiss-Garden Hotel Kuala Lumpur 117 Jalan Pudu 55100 Kuala Lumpur Wilayah Persekutuan	268,150 (built-up)	Freehold	Hotel	14 years 11 months	-	58,273
Lot 55344 Mukim Batu Kuala Lumpur Wilayah Persekutuan	442,956	Freehold	Land for residential development	N/A	28.11.2001	53,914
Mukim of Senai, Kulai District of Johor Bahru Johor Darul Takzim	1,616,083	Freehold	Land for residential, commercial & industrial development	N/A	1991	52,109
Lot 337, Seksyen 56 Bandar Kuala Lumpur Daerah Kuala Lumpur Wilayah Persekutuan	74,703	Freehold	Commercial land	N/A	25.05.2005	35,986
PT No. 1664 & 1665, Mukim Penor, Daerah Kuantan Pahang Darul Makmur	43,560,479	Leasehold (99 years expiring on 31.03.2098)	Land for residential development	N/A	01.11.06	29,210
Bandar Indera Mahkota Mukim of Kuala Kuantan Pahang Darul Makmur	1,149,486	Leasehold (99 years expiring on 23.04.2095)	Land for residential & commercial development	N/A	11.09.1996	28,722

## Analysis of Shareholdings as at 8 October 2008

Authorised Capital	:	RM1,000,000,000
Issued and fully paid-up capital	:	RM 456,132,359 (including 475,000 Treasury Shares)
Class of Shares	:	Ordinary shares of RM1.00 each fully paid
Voting Rights	:	One vote per RM1.00 share

### BREAKDOWN OF SHAREHOLDINGS

Range of Shareholdings	No. of Holders	Percentage of Holders	No. of RM1.00 Shares	Percentage of Issued Capital
Less than 100	509	3.19	9,521	0.00
100 – 1,000	3,778	23.70	3,114,832	0.68
1,001 – 10,000	9,048	56.75	40,099,572	8.80
10,001 – 100,000	2,326	14.59	69,194,750	15.19
100,001 – 22,786,866	281	1.76	233,728,437	51.30
22,786,866 and above	2	0.01	109,510,247	24.03
<b>Total</b>	<b>15,944</b>	<b>100.00</b>	<b>455,657,359</b>	<b>100.00</b>

### THIRTY LARGEST REGISTERED HOLDERS

	Name	Shareholdings	Percentage
1.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Dindings Consolidated Sdn Bhd (3261 KLZA)</i>	82,570,081	18.12
2.	Khor Chai Moi	26,940,166	5.91
3.	Amanah Raya Nominees (Tempatan) Sdn Bhd <i>Skim Amanah Saham Bumiputera</i>	13,918,600	3.05
4.	Ladang Setia Sdn Bhd	8,391,360	1.84
5.	Amanah Raya Nominees (Tempatan) Sdn Bhd <i>Public Far-East Property &amp; Resorts Fund</i>	7,511,900	1.65
6.	OSK Nominees (Tempatan) Sdn Berhad	7,086,400	1.56
7.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Soon Tiek Development Sdn Bhd</i>	7,000,000	1.54
8.	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Soon Tiek Development Sdn Bhd (JRC)</i>	6,620,327	1.45
9.	HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for YC Ltd</i>	6,300,000	1.38
10.	HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for JX Ltd</i>	6,080,000	1.33
11.	HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for YM Ltd</i>	6,008,800	1.32

## Analysis of Shareholdings as at 8 October 2008

	<b>Name</b>	<b>Shareholdings</b>	<b>Percentage</b>
12.	Amsec Nominees (Tempatan) Sdn Bhd <i>AmTrustee Berhad for Pacific Pearl Fund (UT-PM-PPF)</i>	5,777,000	1.27
13.	Khor Chei Yong	4,419,200	0.97
14.	Land Management Sdn Bhd	4,400,000	0.97
15.	Citigroup Nominees (Asing) Sdn Bhd <i>GSCO for Truffle Hound Global Value LLC</i>	4,200,000	0.92
16.	ABB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Dindings Consolidated Sdn Bhd (11200518380)</i>	4,148,000	0.91
17.	HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for JY Ltd</i>	3,609,200	0.79
18.	Dindings Consolidated Sdn Bhd	3,567,400	0.78
19.	HSBC Nominees (Asing) Sdn Bhd <i>Exempt An for Credit Suisse (SG BR-TST-Asing)</i>	3,560,000	0.78
20.	Citigroup Nominees (Asing) Sdn Bhd <i>Citigroup GM Inc for SC Fundamental Value Fund LP</i>	3,470,027	0.76
21.	HLB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities for Wong Ah Chiew</i>	3,462,200	0.76
22.	OSK Nominees (Asing) Sdn Berhad <i>Pledged Securities Account for Lee Sui Hee</i>	3,353,200	0.74
23.	Lembaga Tabung Angkatan Tentera	3,190,000	0.70
24.	HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for YS Ltd</i>	3,100,000	0.68
25.	Amanah Raya Nominees (Tempatan) Sdn Bhd <i>Public Smallcap Fund</i>	3,000,000	0.66
26.	Citigroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Khor Chai Moi (472724)</i>	3,000,000	0.66
27.	Citigroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Wong Chong Shee (470539)</i>	3,000,000	0.66
28.	Citigroup Nominees (Asing) Sdn Bhd <i>CBNY for DFA Emerging Markets Fund</i>	2,768,800	0.61
29.	OSK Nominees (Tempatan) Sdn Berhad <i>Khor Chai Moi</i>	2,448,000	0.54
30.	Citigroup Nominees (Asing) Sdn Bhd <i>Exempt An for OCBC Securities Private Limited (Client A/C-NR)</i>	2,442,120	0.54

## SUBSTANTIAL SHAREHOLDERS

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

Name	Direct Interest	No. of shares held		
		%	Indirect/Deemed Interest	%
Dindings Consolidated Sdn Bhd	3,567,400	0.78	*86,718,081	19.03
Khor Chai Moi	26,940,166	5.91	**104,124,841	22.85
Wong Ah Chiew	2,376,000	0.52	***94,097,681	20.65

## Notes :

\* By virtue of shares held through Nominees.

\*\* By virtue of shares held through Nominees, Dindings Consolidated Sdn Bhd and Ladang Setia Sdn Bhd.

\*\*\* By virtue of shares held through Nominees, Dindings Consolidated Sdn Bhd, Elegant Preference Sdn Bhd and Jian Qi Holdings Sdn Bhd.

## Analysis of Warrantholdings as at 8 October 2008

No. of Warrants Issued : 114,032,898

### BREAKDOWN OF WARRANTHOLDINGS

Range of Holdings	No. of Holders	Percentage of Holders	No. of Warrants	Percentage of Issued Warrants
Less than 100	144	8.82	6,304	0.01
100 – 1,000	258	15.81	153,376	0.13
1,001 – 10,000	781	47.86	3,800,726	3.33
10,001 – 100,000	363	22.24	13,068,200	11.46
100,001 – 5,701,643	81	4.96	38,826,973	34.05
5,701,644 and above	5	0.31	58,177,319	51.02
<b>Total</b>	<b>1,632</b>	<b>100.00</b>	<b>114,032,898</b>	<b>100.00</b>

### THIRTY LARGEST REGISTERED HOLDERS

Name	Warrantholdings	Percentage
1. CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Dindings Consolidated Sdn Bhd (3261 KLZA)</i>	24,913,392	21.85
2. Khor Chai Moi	11,692,829	10.25
3. OSK Investment Bank Berhad <i>IVT(LH)</i>	8,400,000	7.37
4. Dindings Consolidated Sdn Bhd	6,680,000	5.86
5. Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Soon Tiek Development Sdn Bhd (JRC)</i>	6,491,098	5.69
6. Mak Ngia Ngia @ Mak Yoke Lum	3,023,100	2.65
7. Kelvin Low Meng Poh	2,000,000	1.75
8. Ladang Setia Sdn Bhd	1,833,840	1.61
9. OSK Nominees (Tempatan) Sdn Berhad <i>Wong Chong Ngin</i>	1,771,600	1.55
10. Land Management Sdn Bhd	1,699,000	1.49
11. Amsec Nominees (Tempatan) Sdn Bhd <i>AmBank (M) Berhad for Yap Ching Loon (TERM)</i>	1,551,200	1.36
12. OSK Nominees (Asing) Sdn Berhad <i>Pledged Securities Account for Lee Sui Hee</i>	1,450,000	1.27
13. RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lim Chee Seong (CEB)</i>	1,300,000	1.14
14. HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for JY Ltd</i>	1,272,800	1.12

	<b>Name</b>	<b>Warrantholdings</b>	<b>Percentage</b>
15.	Teh Kim Fong	1,241,000	1.09
16.	ECML Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Yeap Gek @ Yeap Poh Chim</i>	1,236,100	1.08
17.	HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for JX Ltd</i>	1,220,800	1.07
18.	HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for YC Ltd</i>	1,200,000	1.05
19.	HSBC Nominees (Asing) Sdn Bhd <i>AAB SG BR for YM Ltd</i>	1,127,200	0.99
20.	Chong Tong Siew	1,000,000	0.88
21.	TA Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Wong Kon Lim</i>	800,000	0.70
22.	Lau Kok Loon @ Lau Say Siok	689,200	0.60
23.	Sia Kean Teong	680,000	0.60
24.	Mak Pak Lin	568,900	0.50
25.	Lau Tein Khang	486,200	0.43
26.	Citigroup Nominees (Asing) Sdn Bhd <i>Exempt An for OCBC Securities Private Limited (Client A/C-NR)</i>	470,213	0.41
27.	Chu Chee Choon	453,800	0.40
28.	Tang Kee Hiong	447,600	0.39
29.	Yap Chong Keow	441,500	0.39
30.	Ng Ah Chuan @ Chew Ah Chuan	436,000	0.38

## Other Information

### 1. Directors' Interest As At 8 October 2008

#### COMPANY

Director	Ordinary Shares Of RM1.00 Each			
	Direct Interest		Indirect/Deemed Interest	
	No.	%	No.	%
Wong Ah Chiew	2,376,000	0.52	94,097,681	20.65
Wong Chong Shee	3,000,000	0.66	-	-
Khor Chai Moi	26,940,166	5.91	104,124,841	22.85
Yap Yoon Kong	-	-	376,500	0.08

#### Warrants B

Director	Warrants B			
	Direct Interest		Indirect/Deemed Interest	
	No.	%	No.	%
Wong Ah Chiew	402,000	0.35	31,593,392	27.71
Wong Chong Shee	33	-	-	-
Khor Chai Moi	11,692,829	10.25	33,427,232	29.31

#### RELATED CORPORATION

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

Director	Ordinary Shares Of 10.00 Thai Baht Each			
	Direct Interest		Indirect/Deemed Interest	
	No.	%	No.	%
a) Wong Ah Chiew				
b) Khor Chai Moi				
• PJDCI Co., Ltd	-	-	242,500	78.5
• PJDC Co., Ltd	-	-	14,925,000	88.5

### 2. Material Contracts Involving Directors' And Substantial Shareholders' Interest

There was no material contract(s) entered by the Company or its subsidiaries involving directors' and substantial shareholders' interests in the financial year ended 30 June 2008.

### 3. Non-Audit Fees

The non-audit fees paid by Company to external auditors for the financial year ended 30 June 2008 are disclosed in Note 30 of the financial statements.

## 4. Recurrent Related Party Transactions Of A Revenue Or Trading Nature

Recurrent related party transactions of a revenue nature of PJ Development Holdings Berhad (“PJD”) Group conducted pursuant to shareholders’ mandate for the financial year ended 30 June 2008 are as follows:

<b>Related Parties</b>	<b>Type of Recurrent Related Party Transactions</b>	<b>Interested Directors / Major Shareholders and Persons Connected</b>	<b>Value of Transactions (RM'000)</b>
OSK Group	Receipt of payment for provision of hotel accommodation and facilities	KCM, WAC, WCS, OLH, WCK, WCC, WAL, LKP, OYC, DC	179
OSKP Group	Receipt of payment for provision of hotel accommodation and facilities	KCM, WAC, WCS, OLH, WCK, WCC, WAL, LKP, OYC, DC	6
WMSC Group	Receipt of payment for provision of hotel accommodation and facilities	KCM, WAC, WCS, WAL, LKP, OYC, DC	7
DC Group	Receipt of proceeds for sale of building materials	KCM, WAC, WCS, WAL, LKP	5,928
DC Group	Receipt of fees for provision of information technology services	KCM, WAC, WCS, WAL, LKP	2
OSKP Group	Receipt of payment for construction works	KCM, WAC, WCS, OLH, WCK, WCC, WAL, LKP, OYC, DC	10,515
EHPL	Receipt of fees for provision of hotel management services	KCM, WAC, WCS, OLH, WCC, KCY, WAL, LKP, DC	722
OSK Group	Receipt of payment of rental of office space in Swiss-Inn Sg Petani	KCM, WAC, WCS, OLH, WCK, WCC, WAL, LKP, OYC, DC	4
EHPL	Receipt of compensation for termination of management agreement	KCM, WAC, WCS, OLH, WCC, KCY, WAL, LKP, DC	2,384
Ke-Zan	Payment for rental of office space in Plaza OSK	KCM, WAC, WCS, OLH, WCK, WCC, WAL, LKP, OYC, DC	1,499
WMSC Group	Payment for provision of Supervisory Control and Data Acquisition (SCADA), information technology services, security system and smart home system	KCM, WAC, WCS, WAL, LKP, OYC, DC	515
EHPL	Payment for hotel accommodation for club members and staff	KCM, WAC, WCS, OLH, WCC, KCY, WAL, LKP, DC	3
DC Group	Payment for insurance premium	KCM, WAC, WCS, WAL, LKP	1,938
WMSC Group	Payment for rental of office space in Sri Petaling	KCM, WAC, WCS, WAL, LKP, OYC, DC	12

## Other Information

### 4. Recurrent Related Party Transactions Of A Revenue Or Trading Nature (continued)

#### Notes :

(1) *Dindings Consolidated Sdn Bhd (“DC”)*

*DC is a major shareholder of PJD. Mr. Wong Ah Chiew (“WAC”) and Madam Khor Chai Moi (“KCM”) are both directors and major shareholders of DC and PJD. Madam Ling Kim Poo (“LKP”), the spouse of WAC and Madam Wong Ai Lin (“WAL”), who is the sister and sister-in-law of WAC and KCM respectively, are also major shareholders of DC.*

(2) *OSK Holdings Berhad (“OSK”)*

*Mr Ong Leong Huat @ Wong Joo Hwa (“OLH”), Mr Wong Chong Kim (“WCK”) and Mr Wong Chong Che (“WCC”) are directors of OSK. OLH, WCK and WCC are the brothers of WAC and Mr Wong Chong Shee (“WCS”), who are directors in PJD.*

*OLH a major shareholder of OSK, is the spouse of KCM.*

(3) *OSK Property Holdings Berhad (“OSKP”)*

*OSK is a major shareholder of OSKP.*

*OLH is a Director and major shareholder of OSKP.*

(4) *KE-ZAN Berhad (“Ke-Zan”)*

*Ke-Zan is a wholly-owned subsidiary company of OSK.*

*WCK is a Director of Ke-Zan.*

(5) *Epic Hotels Pty Ltd (“EHPL”)*

*EHPL is a wholly-owned subsidiary company of Equity & Property Investment Corporation Limited (“EPIC”), a company incorporated in Australia.*

*P.J. (A) Pty Limited is a wholly-owned subsidiary company of Pengerang Jaya Pte Ltd (a company incorporated in Singapore), which in turn is a wholly-owned subsidiary company of PJD. P.J. (A) Pty Limited is a major shareholder of EPIC.*

*OLH is a director and major shareholder of EPIC and he is the spouse of KCM. WAC and WCS are directors of EPIC and WAC holds 3.72% indirect interest in EHPL. WCC holds 4.77% indirect interest in EHPL and he is the brother of OLH, WAC and WCS. Madam Khor Chei Yong (“KCY”), the sister of KCM, holds an indirect interest of 1.52% in EHPL.*

(6) *Willowglen MSC Berhad (“WMSC”)*

*WMSC is a 50.77% owned subsidiary company of New Advent Sdn Bhd (“NA”). NA is a wholly-owned subsidiary company of DC. WAC and Ms Ong Yee Ching (“OYC”) are directors of NA. OYC is the daughter of KCM. WAC & KCM hold 0.61% and 0.38% direct interest respectively in WMSC.*



# PJ DEVELOPMENT HOLDINGS BERHAD

(COMPANY NO. 5938-A) (INCORPORATED IN MALAYSIA)

Number of PJD Shares held
CDS Account No.

## FORM OF PROXY

I/We \_\_\_\_\_ (PLEASE USE BLOCK LETTERS)

NRIC No./Passport No./Company No. \_\_\_\_\_

of \_\_\_\_\_

\_\_\_\_\_ being a member(s) of **PJ DEVELOPMENT HOLDINGS BERHAD**

hereby appoint \_\_\_\_\_

NRIC No./Passport No./Company No. \_\_\_\_\_

of \_\_\_\_\_

or failing him/her, \_\_\_\_\_

NRIC No./Passport No./Company No. \_\_\_\_\_

of \_\_\_\_\_

or failing him / her the Chairman of the Meeting as my / our proxy, to vote for me / us on my / our behalf at the 43rd Annual General Meeting of the Company to be held at the Hibiscus Room, Level One, Swiss-Garden Hotel Kuala Lumpur, 117, Jalan Pudu, 55100 Kuala Lumpur, Malaysia, on Thursday, 27 November 2008 at 10.00 a.m. and at any adjournment thereof, in the manner indicated below:

	RESOLUTIONS	FOR	AGAINST
1.	Adoption of Reports & Financial Statements		
2.	Declaration of a first and final dividend		
3.	Re-election of Mohamed Zain bin Mohamed Yusoff as Director		
4.	Re-election of Au Chun Choong as Director		
5.	Approval on payment of Directors' Fees		
6.	Re-appointment of Auditors and authorising the Directors to fix their remuneration		
7.	Special Business – Ordinary Resolution 1		
8.	Special Business – Ordinary Resolution 2		
9.	Special Business – Ordinary Resolution 3		

(Please indicate with an "X" how you wish to cast your vote. If you do not so, the proxy will vote or abstain from voting at his/her discretion.)  
The proportion of my/our holding to be represented by my/our proxy/proxies are as follows:

First Proxy - \_\_\_\_\_ %  
 Second Proxy - \_\_\_\_\_ %  
 \_\_\_\_\_ 100%

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2008 \_\_\_\_\_  
Signature of Shareholder

### Notes:

- A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies (but not more than two) to attend and vote in his stead. If two proxies are appointed, the number of shares each person is entitled to vote must be stated in the form of proxy. A proxy need not be a member of the Company.
- All forms of proxy must be deposited at the Registered Office of the Company at 18th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its Common Seal or the hand of its attorney.
- Ordinary Resolution 1**  
This Ordinary Resolution, if passed, will empower the Directors to issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interests of the Company. This would avoid any delay and costs in convening a general meeting to specifically approve such an issues of shares. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.
- Ordinary Resolution 2**  
This Ordinary Resolution, if passed, will provide a new mandate for the Company and its subsidiaries and associated companies to enter into recurrent related party transactions with related parties in the ordinary course of business based on commercial terms which are not more favourable to the related parties than those generally available to the public which are necessary for the Group's day-to-day operations and shall lapse at the conclusion of the next Annual General Meeting unless authority for the approval is obtained from the shareholders of the Company at a general meeting.
- Ordinary Resolution 3**  
This Ordinary Resolution, if passed, will provide a new mandate for the Company to purchase its own shares up to 10% of the issued and paid-up ordinary share capital of the Company and shall lapse at the conclusion of the next Annual General Meeting unless authority for the approval is obtained from the shareholders of the Company at a general meeting.

Shareholders are requested to refer to the enclosed Circular to Shareholders for additional information.

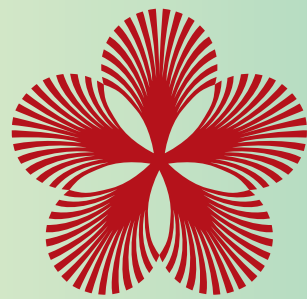
Fold this flap for sealing

Stamp

The Secretary  
**PJ Development Holdings Berhad**  
(Company No. 5938-A)  
18th Floor, Plaza OSK  
Jalan Ampang  
50450 Kuala Lumpur  
Malaysia

2nd fold here

1st fold here



[www.pjdh.com.my](http://www.pjdh.com.my)