

Sustainable Growth

...and Progress Together

At Dijaya, we believe sustainable growth is about meeting the needs of the present without compromising the progress of future generations. We continue to take great strides to create a Dijaya legacy by adopting a stronger social, economic and environmental exercise. All with the aim of achieving sustainable long-term growth and creating value for our stakeholders.

### Investing for the Future

Over the years, Dijaya's projects have been known to yield high capital appreciation. This can be seen in its wide range of property types from commercial to residential. The high gains enjoyed from investing in Dijaya's properties have always been one of the main reasons why its products are so highly sought after. While this is true, Dijaya's projects are consistently in line with the latest trends and boast good locations with excellent accessibility.

Therefore, it is apparent that new projects are often purchased by repeat customers, further reinforcing the fact that purchasers have a strong belief in the Dijaya brand name.

### Tropicana City

brings an exciting and vibrant lifestyle experience to the surrounding suburban neighbourhoods of Petaling Jaya





To preserve what really matters and create sustainable value together, we aspire to make a difference by delivering innovative products to the [marketplace](#), providing a great [workplace](#), enriching the [community](#) and conserving the [environment](#)

# Contents

|           |                                                   |           |                                 |            |                                                             |
|-----------|---------------------------------------------------|-----------|---------------------------------|------------|-------------------------------------------------------------|
| <b>3</b>  | Our Mission Statement and Our Business Principles | <b>32</b> | <b>Corporate Information</b>    | <b>62</b>  | <b>Corporate Governance</b>                                 |
| <b>4</b>  | Building with Passion                             | <b>34</b> | Group Corporate Structure       | <b>64</b>  | Statement on Corporate Governance                           |
| <b>6</b>  | Our Signature Developments                        | <b>35</b> | Corporate Data                  | <b>70</b>  | Additional Disclosure                                       |
| <b>8</b>  | Leading the Way                                   | <b>36</b> | Board of Directors              | <b>71</b>  | Statement on Internal Control                               |
| <b>10</b> | Performance at a Glance                           | <b>38</b> | Directors' Profile              | <b>73</b>  | Risk Management Statement                                   |
| <b>12</b> | <b>Performance Review</b>                         | <b>44</b> | Management Team                 | <b>74</b>  | Audit Committee Report                                      |
| <b>14</b> | Chairman's Statement                              | <b>46</b> | Management Profiles             | <b>77</b>  | <b>Financial Statements</b>                                 |
| <b>18</b> | Group CEO's Message                               | <b>48</b> | <b>Corporate Responsibility</b> | <b>169</b> | Analysis of Shareholdings                                   |
| <b>26</b> | Managing Director's Review                        | <b>50</b> | Spirit of Dijaya                | <b>171</b> | Analysis of Warrant Holdings                                |
| <b>30</b> | Value Added Statement                             | <b>56</b> | Highlights 2010                 | <b>173</b> | List of Properties                                          |
| <b>31</b> | Financial Calendar 2010                           | <b>60</b> | Dijaya in the News              | <b>179</b> | Corporate Directory                                         |
|           |                                                   |           |                                 | <b>181</b> | Notice of Annual General Meeting                            |
|           |                                                   |           |                                 | <b>182</b> | Statement Accompanying the Notice of Annual General Meeting |
|           |                                                   |           |                                 |            | Proxy Form                                                  |

## Our Mission Statement

We strive to be the leading property developer in Malaysia.

## Our Business Principles

### Our Customers Come First

We share a common belief that our customers come first, and we always strive towards customer satisfaction, be it with the innovative products we offer or with the services we deliver. We recognise and reward our customers who are true pillars of Dijaya's culture and the driving force behind the success of our Company.

### Our People Are Our Greatest Assets

One of the core assets of our Company is our People. We value the importance of our people to the success of our business and encourage leaders, teams as well as individuals to achieve excellent performance.

### Our Commitment To Our Shareholders

We are committed to creating value and maximising returns on our investments, so as to sustain profitability and provide superior returns for our shareholders.

### Our Teamwork

Our common goal is to create a work culture that values collaboration. We understand and believe that thinking, planning decisions and actions are better when done cooperatively. We believe that "none of us is as good as all of us".





# Building with Passion

Dijaya Corporation Berhad successfully manages a realm of businesses that includes Property Development, Property Investment, Property Management, Investment Holding and Manufacturing. This large scale of successful ventures has propelled the Group onto the Main Board of Bursa Malaysia in 1992.

Undoubtedly one of the finest property developers in Malaysia, Dijaya strives to develop distinctive properties that are innovative and aligned with building standards. One excellent example of this is Tropicana Golf & Country Resort (TGCR), which is one of the first exclusive gated

community concepts in Malaysia. The 625-acre TGCR houses the biggest and most comprehensive clubhouse in Malaysia. It has also garnered the prestigious Leisure Development Award in recognition of its distinctive innovation from the Malaysian Chapter of the International Real Estate Federation (FIABCI) and the International Property Awards 2010 in association with Bloomberg Television.

Driven by the successful formula of resort-style homes, Dijaya went on to develop Tropicana Indah Resort Homes. Spanning 409-acre of prime land with abundant greenery, Tropicana Indah Resort Homes provide its

residents the luxury of a serene home within a golf-course environment. Both of these developments have become the signature of Dijaya, offering majestic golf courses, comprehensive security and yet, still close to the convenient amenities of daily life.

Joining the ranks of these successful developments are Tropicana City – an integrated development of a stylish mall, designer suites and sleek offices, luxurious condominiums in Petaling Jaya – Tropicana Grande, Tropicana Cheras, Tropicana Danga Bay as well as a series of luxury villas in Tropicana Indah.

# Our Signature Developments

## Residential

- **Tropicana Grande golf-fronted condominiums (under construction)**
- **Casa Tropicana condominiums (final Block E is under construction)**
- Eva townhouses
- Ana and Bella linked houses
- Cora and Dora semi-dees
- Green Acres 1 Gloria and Floria semi-dees
- Green Acres 2 linked houses, semi-dees, bungalows and prime bungalow lots

## Commercial

- **Tropicana Avenue office suites and retail units (upcoming launch)**
- Merchant Square shop offices

### Tropicana Golf & Country Resort, Petaling Jaya, Selangor



## Residential

- Tropicana City Tropics serviced apartments
- Casa Damansara 1 and 2 condominiums

## Retail and Commercial

- Tropicana City Mall
- Tropicana City Office Tower
- Damansara Intan e-Business Park



### Tropicana City, Petaling Jaya, Selangor

## Tropicana Indah Resort Homes, Petaling Jaya, Selangor



### Residential

- Link Villas linked houses (under construction)
- Pool Villas semi-dees (under construction)
- Grand Villas bungalows (under construction)
- Adam and Eve linked houses
- Romeo and Juliet linked houses
- Mustika and Persona linked houses
- Green Haven bungalow lots
- Green Haven 1 resort villas
- Villa Green 1 linked bungalows
- Villa Green 2 semi-dees
- Villa Green semi-dees
- Casa Indah 1 and 2 condominiums

### Commercial and Education

- International School (coming soon)
- Tropicana Gardens commercial centre (upcoming launch)



## Other Developments

### Residential

- Tropicana Danga Bay mixed development, Iskandar Malaysia, Johor (upcoming launch)
- Tropicana Cheras linked houses, semi-dees and bungalows, Cheras, Selangor (upcoming launch)
- Tropicana Bayou mixed development, Balakong, Selangor (upcoming launch)
- Aston Villa linked houses, semi-dees and shop offices, Bukit Mertajam, Penang (under construction)
- 10 Island Resort condominiums, Batu Ferringhi, Penang\* (under construction)
- Fortune Park apartments, Kuala Lumpur
- Casa Kiara 1 and 2 condominiums, Mont' Kiara, Kuala Lumpur\*
- Casa Suites apartments, Petaling Jaya, Selangor

### Retail, Commercial and Hospitality

- W, Kuala Lumpur - hotel and condominiums (upcoming launch)
- TSB Commercial Centre, Sungai Buloh, Selangor
- Arena Mentari shop offices, Dataran Mentari, Petaling Jaya, Selangor\*\*

\* Project Manager

\*\* Joint venture project with Aliran Firasat Sdn Bhd

# Leading the Way



Over the last few years, the Group has been working very hard at improving the standards of its developments. These efforts finally paid off when the Group garnered outstanding awards from prominent associations.



**Development:**

**Tropicana Golf & Country Resort**

**Category:**

**Best Golf Development 2010**

**Award:**

International Property Awards in association with Bloomberg Television

- Highest 5-star rating in Malaysia
- Best in Asia Pacific

Dijaya's Tropicana Golf & Country Resort was named the Best Golf Development with the highest five-star rating in Malaysia and Best Golf Development in the Asia Pacific. This prestigious tribute is part of the International Property Awards, the world's most prestigious competition dedicated to identifying the best real estate professionals across the globe.

**Development:**

**Villa Green semi-dees**

**Category:**

**Best Residential Development 2009**

**Award:**

International Property Awards in association with CNBC

- Highest 5-star rating in Malaysia
- Best in Asia Pacific
- World's Best

Villa Green, one of the developments from Dijaya Corporation Berhad was accorded three prestigious titles in the International Property Awards in association with CNBC. After having competed against other entries from Europe, America, Arabia, Africa and Asia, Villa Green was awarded the Best Residential Development with highest 5-star rating in Malaysia, the Best in Asia Pacific and ultimately, the World's Best.

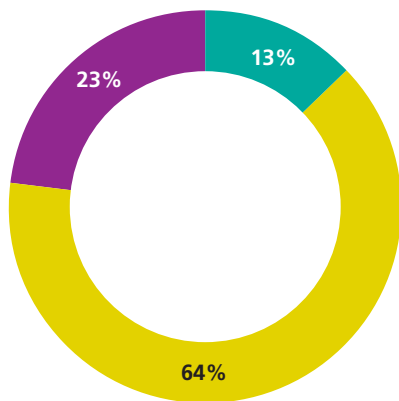
**FROM LEFT:**

Villa Green touted as one of the best three-storey semi-dees in Malaysia, Asia Pacific and the World

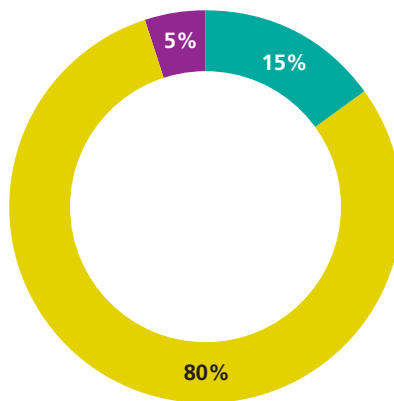
Tropicana Golf & Country Resort (TGCR) was named the Best Golf Development with the highest five-star rating in Malaysia and Best Golf Development in the Asia Pacific. Seen here, Managing Director of Dijaya, Dato' Tong Kien Onn (right), Senior General Manager of TGCR, Herman Tan (left) and General Manager of Sales & Marketing of Dijaya, Lillian Lung (centre)

**The lush panoramic view of Tropicana Golf & Country Resort**

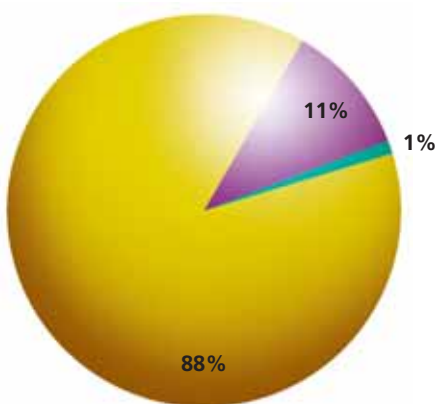
# Performance at a Glance



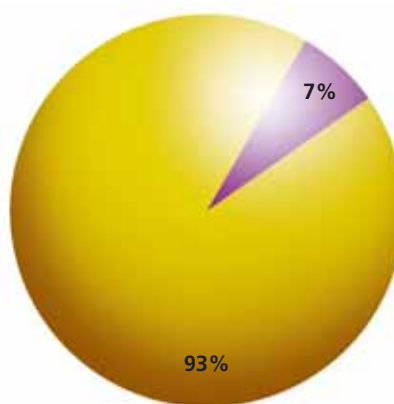
2010  
Segmental Operating Profit



2009  
Segmental Operating Profit



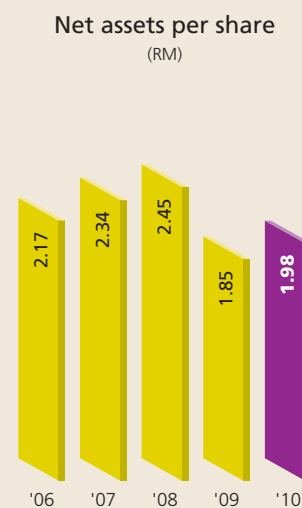
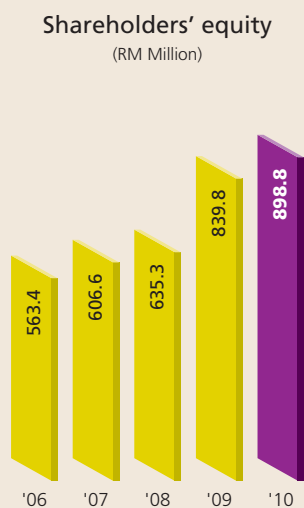
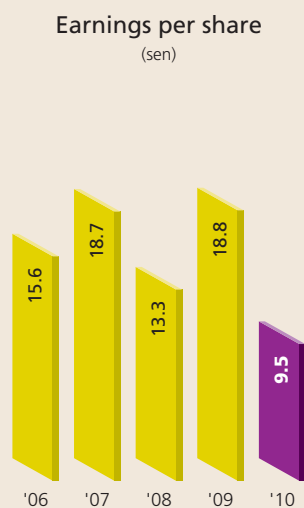
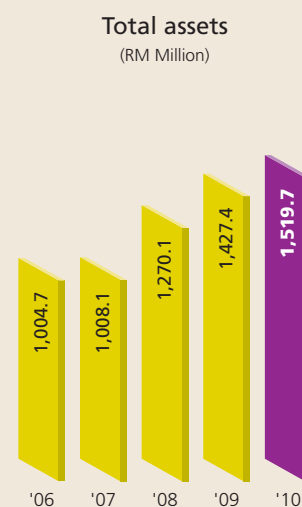
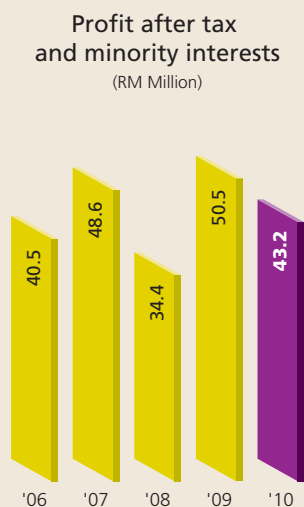
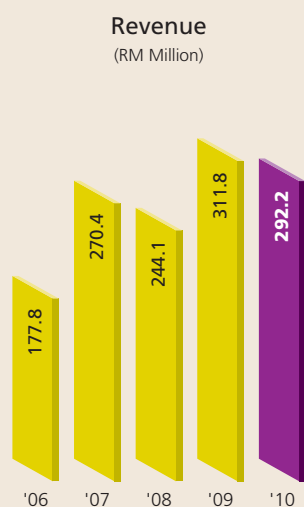
2010  
Segmental Revenue



2009  
Segmental Revenue

- Property and Resort Development
- Property Investment
- Investment Holding & Others

|                                                  | 2010             | 2009      | 2008      | 2007      | 2006      |
|--------------------------------------------------|------------------|-----------|-----------|-----------|-----------|
| Revenue (RM'000)                                 | <b>292,258</b>   | 311,777   | 244,090   | 270,371   | 177,815   |
| Profit after tax and minority interests (RM'000) | <b>43,252</b>    | 50,512    | 34,436    | 48,589    | 40,512    |
| Total assets (RM'000)                            | <b>1,519,732</b> | 1,427,425 | 1,270,093 | 1,008,112 | 1,004,734 |
| Shareholders' equity (RM'000)                    | <b>898,836</b>   | 839,843   | 635,250   | 606,623   | 563,381   |
| Earnings per share (sen) (basic)                 | <b>9.5</b>       | 18.8      | 13.3      | 18.7      | 15.6      |
| Net assets per share (RM)                        | <b>1.98</b>      | 1.85      | 2.45      | 2.34      | 2.17      |



Dijaya believes in interacting responsibly with our stakeholders in various ways, such as enhancing the **marketplace** with good products, engaging in ethical procurement and ensuring that our operations are managed responsibly, efficiently and effectively



A young couple is shown from the chest up, sitting at a table in a restaurant at night. The woman, on the left, has long dark hair and is wearing a white cardigan over a black top. She is smiling and looking towards the man. The man, on the right, is also smiling and looking at the woman. On the table, there is a white plate with food, a tall glass of orange juice, and a white cup. The background is blurred, showing city lights and the interior of the restaurant.

## Performance Review

**14** Chairman's Statement

**18** Group CEO's Message

**26** Managing Director's Review

**30** Value Added Statement

**31** Financial Calendar 2010

Dijaya remains committed to a high standard of corporate governance, and has adopted the Malaysian Code on Corporate Governance in all its operations



# Chairman's Statement

## Overview and Financial Performance

I am pleased to present the Dijaya Group's Annual Report for the financial year ended 31 December 2010.

Despite the continued uncertainty in the global financial environment, Malaysia's economy performed well in 2010. This recovery underscored the largest property price increases in a decade and helped bolster Dijaya's position in the market, particularly in the subsectors of landed residential properties, condominiums and commercial properties. Our strategic developments in these areas coincided favourably with the strong growth in these subsectors, and the Group is well-positioned to benefit from the strengthening property market.

By maintaining a prudent strategy of investing in quality properties and pursuing potential development lands, the Group managed to minimise its risks in the face of the year's economic uncertainty. The Group increased its land bank by 37 acres in 2010 with the acquisition of two parcels of land in Iskandar Malaysia as part of its Danga Bay Integrated Waterfront City project. This RM3.8 billion project will be the Group's stepping stone into future property development activities in the southern region.

For the financial year ending 2010, Dijaya achieved over RM500 million in sales. Group revenue recorded at RM292.26 million, while profit before tax is RM53.39 million. The Board has proposed, subject to the shareholders' approval, a first and final dividend of 5% per ordinary share of RM1.00 less income tax of 25% for the fiscal year ending 2010. This represents an increase of 2% from 2009, which saw a first and final dividend of 3% less income tax.

## Chairman's Statement



The Group continued its many charitable efforts, one of which was the "Rumah Berbuka Anak-Anak Yatim" for 150 orphans in Tropicana Golf & Country Resort

## Making Lasting Commitments

Dijaya remains committed to a high standard of corporate governance, and has adopted the Malaysian Code on Corporate Governance in all its operations. As a result of these efforts, Dijaya has successfully broken into the Malaysian Corporate Governance Index in 2010<sup>1</sup>, a mark of the Group's improved corporate ethics. On the back of this achievement, the Group's management intends to remain focused on achieving greater oversight and transparency in order to maximise its accountability and responsibility to shareholders.

Dijaya's ongoing commitment to good corporate citizenship continues to be a cornerstone of the Group's success. The Group continued its many corporate social responsibility programmes throughout 2010, lending support to charitable causes for the benefit of senior citizens, orphanages, schools, medical centres and various other organisations. The company also played a role in enriching the community with its participation in various community events and celebrations.

By taking such pro-active approaches to corporate social responsibility, the Group has always measured its accomplishments by its impact on the environment, the community and its people. Whenever possible, the Group's developments are designed to preserve the natural beauty of the environment. Some trees at our project sites are over 100 years old and have been incorporated into the landscape of the development rather than being felled. The Group also made concerted efforts to improve the environment by utilising energy-saving construction techniques such as natural lighting and metal roofing system, also known as "cool roof" to reduce the energy consumption of its project. The metal roofing is also durable and 100% recyclable.

## Building Stronger Relationships

The Group's commitment to developing quality communities does not end with its property development business, but extends to upholding the communities and the lifestyles of its customers. In 2010, staff

Dijaya's ongoing commitment to good corporate citizenship continues to be a cornerstone of the Group's success.



at the Tropicana Golf & Country Resort (TGCR) worked tirelessly with the Tropicana Residents' Association to organise the Tropicana Night Race 2010, an event which hundreds of club members and residents participated in. The club's staff also worked hard throughout the month of Ramadhan to create nightly buffet dinners for more than 20,000 club members, residents and guests.

The Tropicana Golf & Country Resort (TGCR) has been a mainstay of the Klang Valley's golfing community since 1996, and the Group recognises the TGCR's importance in the lifestyles of its members, residents and guests. I am also pleased to note that the Group's bimonthly publication and should be biannual newsletter, The Address and Directions, sported a trendier outlook and committed to providing useful information that enhances and enriches the lifestyle and experience of its readers. Given the almost iconic status of this establishment, the Group has thus decided to initiate a multi-million ringgit renewal of both the club's facilities and the award-winning golf greens.

However, Dijaya's stakeholders include not just its shareholders but also its many valued customers, merchant partners, suppliers and employees. The Group understands the importance of work-life balance, and offers all its employees the opportunity to develop to their full potential through myriad training, career development and promotion programmes. Dijaya's Employees' Share Option Scheme allows staff to own a real stake in the Company and encourages both their loyalty and commitment to the Group's future objectives. The Group also introduced an attractive scheme known as Dijaya Loyalty Programme to its buyers in an effort to reward and enhance its relationships with its customers.

Dijaya's dedication to its many business relationships is an important facet of the Group's business strategy. The Group maintains a close relationship with government authorities to ensure that its communities and customers continue to enjoy a safe environment and a high standard of living while cooperating in community development planning and public services.

## Appreciation

On behalf of the Board of Directors, I would like to convey my deep and abiding appreciation to our valued shareholders for their loyal support. I would also like to express my gratitude to our valued customers, bankers, contractors, consultants, suppliers and business associates for their invaluable advice and confidence, and to the relevant authorities for their kind understanding and cooperation. Finally, I would like to thank my fellow Board members for their continued dedication to Dijaya and its future.

I would also like to congratulate the management and staff of the Group for their fine work in a year full of challenges and opportunities. I am confident that we will not rest upon our laurels, but will instead strive to build upon our success in the year ahead.

**Datuk Rohana Binti Tan Sri Mahmood**  
Chairman

<sup>1</sup> Malaysian Corporate Governance 2010 Listing, published in New Straits Times, 15 December, 2010



### FROM LEFT:

Whenever possible, the Group's developments are designed to preserve the natural beauty of the environment

Datuk Rohana (right) presented the mock prize to the lucky draw Grand Prize winner during Dijaya's "Progress & Diversity" Annual Dinner 2010

# Group CEO's Message

The world economy continued to regain ground in 2010 despite the European fiscal austerity measures and weak labour markets in the United States. In Asian economies such as Malaysia, GDP grew by 7.2% year-on-year, exceeding the forecasted growth of 6%<sup>1</sup>. This was primarily due to strong domestic demand, a revived export sector and successful Government monetary policies and stimulus packages.

Malaysia's economic growth and political stability in 2010 contributed to the strongest growth in house prices in this last decade. The national house price index rose 6.2% year-on-year in the third quarter of 2010, after annual increases of 6.2% and 5.7% in second quarter and first quarter respectively<sup>2</sup>.

## Growing the Tropicana Brand

The core of the Dijaya Tropicana brand is Dijaya's resort-theme lifestyle property development, notably known as **Tropicana Golf & Country Resort**. Throughout 2010, we enhanced and promoted several Tropicana-branded projects, the most significant of which is the Group's second resort home development, **Tropicana Indah Resort Homes**.

Tropicana Indah offers discerning house buyers numerous resort-themed products such as the award-winning **Villa Green** three-storey super semi-dees, **Pool Villas** semi-dees and the **Grand Villas** bungalows. Construction on the Grand Villas has commenced, and Tropicana Indah will also see with the addition of **Tropicana Gardens** commercial centre. This 14-acre development centres around a pedestrian mall lined with palm trees and comprises conveniently placed retail and SoHo units overlooking the Seri Selangor Golf Course.



Malaysia's economic growth and political stability  
in 2010 contributed to the strongest growth  
in house prices in this last decade





One of Tropicana City Mall's unique features is its signature glass portal with changing colour hues that light up at night



**FROM LEFT:**

**Tropicana City Office Tower** comprises a 12-storey office space with modern design and amenities

**Tropicana Grande** is a golf-fronted luxury condominium that offers breathtaking views of Tropicana's championship golf course

**Tropicana City Mall**, known as the 'New Pulse of PJ', represents Dijaya's successful entry into the shopping mall sector. Opened in December 2008, the mall provides four floors of shopping and dining outlets as well as an eight-screen GSC cinema. In 2010, the Group increased the mall's accessibility with the completion of its second access ramp, which provides customers breezy access to the SPRINT highway, Tropicana Golf & Country Resort and the New Klang Valley Expressway (NKVE).

The **Tropicana City** mixed development project also saw the completion of the adjacent **Tropicana City Office Tower** and **Tropicana City Tropics** serviced apartments in 2010. The 12-storey, 101,700 square feet Tropicana City Office Tower houses the Group's new headquarters and as of end 2010, it is fully tenanted. The prices for Tropicana City Tropics serviced apartments have also appreciated significantly since its launch. Tropicana City Tropics serviced apartments is within walking distance of Tropicana City Mall and offers 601 designer suites with lifestyle-enhancing facilities as well as 24-hour security.

Tropicana City Office Tower houses the Group's new headquarters and as of end 2010, it is fully tenanted. The prices for Tropicana City Tropics serviced apartments have also appreciated significantly since its launch

One of the newest featured projects to arise in Tropicana Golf & Country Resort (TGCR) is **Tropicana Grande**. With 328 luxury units featuring golf-fronted views and quality amenities, Tropicana Grande offers residents a carefully planned 24-hour security system, an infinity pool, Jacuzzi and gymnasium facilities. Some units come equipped with their own private pool and garden. Launched in April 2010, sales for Tropicana Grande were brisk with more than 50% units sold to date.

The year 2010 also embraced the successful launch of the final phase of **Casa Tropicana**, Block E. Standing 24-storeys high and comprising 296 units, Block E was very well received by the public. As of the end of December 2010, more than 60% units of Block E have been sold.

Another new development is **Tropicana Avenue**, which is positioned at the main road of Persiaran Tropicana and will soon serve as a business and retail centre in the heart of Petaling Jaya. Strategically located

within a short distance from TGCR, Tropicana Indah, Sunway Damansara and other key communities, this commercial development is expected to provide the Group with a steady stream of rental and maintenance revenue income for many years to come.

The Group's **Aston Villa** development in Bukit Mertajam, Penang, continues to receive encouraging response from interested buyers. Located in an exclusive enclave very close to the district's commercial and financial neighbourhood, it offers three-storey semi-dees and terrace houses as well as four-storey shop offices.

Within the tourism enclave of Penang Island at Batu Ferringhi, Dijaya is the project manager of Ivory Properties Group's **10 Island Resort**, a luxury hillside development featuring a private recreational club and landed properties. Currently under construction are 266 units of condominiums with built-up areas ranging from 1,100 to 3,200 square feet.

As part of a multi-million ringgit upgrading programme, the facilities and the 27-hole golf greens at **Tropicana Golf & Country Club** are currently undergoing an extensive facelift. The Group has contracted renowned Australian golf course design firm E&G Parslow to redesign the course with more sophisticated golfing challenges, multi-tiered greens and improved drainages. The new course will also offer enthusiasts 18-hole night golfing. The first nine holes will be completed by early 2011 and the rest will be completed by early 2012. The upgrading work which commenced in August 2010 also includes work to improve the golf registration lounge, golf-pro shop, the Spring Garden Chinese Restaurant, the extended Grand Ballroom, Greens 2 and three function rooms. The Club also saw the grand opening of the stylish Jojo Italian Restaurant. Currently, work is in planning stage at the Palms Coffee House and the Golfers' Terrace.

Finally, our 33% owned associate company, **Tenaga Kimia Sdn Bhd**, recorded RM131 million of revenue with a net profit of RM20 million in 2010. In light of the increased costs in the manufacturing industry, Tenaga Kimia's performance may be considered strong relative to the industry.

### Broadening Horizons

While our prestigious property developments representing Dijaya's core product offerings, we are also exploring new frontiers with significant growth potential. The Group has already expanded its product offerings to include retail and office space with the development of Tropicana City, and will soon move into other sectors such as hotels and education.

The average prices of hotel rooms in Malaysia rose 17% in 2010<sup>3</sup> on the back of renewed interest in Malaysian tourism, and the hotel sector is expected to see continued growth

for many years to come. Given our extensive experience in property development and management, we are well-positioned to expand our interests in this sector. With the acquisition of a freehold commercial land in Jalan Ampang, Kuala Lumpur in 2009, the Group plans to develop a prominent hotel near the iconic Petronas Twin Towers. The Group's elite and mature communities in the Tropicana neighbourhood also present us with the opportunity to move into the education sector with an international school project, scheduled to start construction in late 2011.

In addition to exploring other sectors, the Group is also widening its geographical reach and scope. Within the Klang Valley, Dijaya now manages the five-storey **Arena Mentari** shop offices development in Dataran Mentari in Bandar Sunway, a project well positioned to serve the established neighbourhoods in the area. Dijaya has also completed its venture into the booming

The Group has already expanded its product offerings to include retail and office space with the development of Tropicana City, and will soon move into other sectors such as hotels and education

Within the tourism enclave of Penang Island at Batu Ferringhi, Dijaya is the project manager of 10 Island Resort for Ivory Properties Group



Sungai Long precinct within **Tropicana Cheras**, a RM184 million project that offers three-storey zero-lot bungalows, three-storey semi-dees and super link houses. It features built-up spaces of between 1,650 to 4,800 square feet and is conveniently located close to schools, convenience stores and F&B outlets. Also in the pipeline is **Tropicana Bayou**, a mix development strategically located in the major suburb of Balakong and in the neighbourhood of Country Heights and Kajang Heights.

We have also expanded our presence in the southern region in 2010 with the acquisition of two parcels of land in Danga Bay in Iskandar Malaysia. With a potential gross development value of RM3.8 billion, the Danga Bay Integrated Waterfront City project gives the Group an important foothold in the rapidly growing Iskandar Development Region besides replenishing the Group's land bank for future property development activities.

**FROM LEFT:**

**Tropicana Cheras is located in Sungai Long, Selangor and comprises a series of modern linked houses, semi-dees and bungalows**

**Dijaya and Starwood Hotels & Resorts World Inc to collaborate and develop W Hotel in Kuala Lumpur**



Given the healthy macroeconomic environment, the Group will continue to actively search for quality land banks and to participate in development projects with strong growth and potential



**Johor Menteri Besar, YB Datuk Abdul Ghani Othman (second from right) witnessing the exchange of documents between Dijaya Group Chief Executive Officer, YBhg Tan Sri Dato' Danny Tan Chee Sing (left) and IWSB Chairman, Johar Salim Yahya (right). With them is Danga Bay Chairman, Datuk Dr Shahir Nasir**

### **Recognition and Corporate Governance**

Over the last few years, the Group has been working very hard at improving the standards of its corporate governance to be in line with international best practices. These efforts finally paid off in 2010 when Dijaya was included into the Malaysian Corporate Governance (MCG) Index.

Developed by the Minority Shareholder Watchdog Group (MSWG) in conjunction with Bursa Malaysia, the MCG Index rates the top 100 corporations in the country in terms of their ability to deliver long-term sustainability from financial, environmental, and social perspectives. Dijaya's inclusion into this index represents a significant endorsement of our efforts at improving our corporate governance standards thus far.

Meanwhile, Dijaya's Tropicana Golf & Country Resort won the coveted Best Golf Development in Malaysia and Asia Pacific region at the 2010 International Property Awards in association with Bloomberg Television. These awards are testimonies to our ongoing endeavours to create the much

sought after Tropicana-branded products that offer buyers more than just properties, but contemporary lifestyle living.

### **Future Prospects**

The current economic recovery is expected to continue through 2011, with Asian economies being boosted by strong capital inflow in view of further US stimulus plans<sup>4</sup>. The Malaysian government expects the country's GDP to grow between 5.0% and 6.0% in 2011 due to strengthening domestic demand and export performance<sup>5</sup>, while the Economic Transformation Plan is expected to contribute a 13% increase in house prices in the coming year<sup>6</sup>.

Given the healthy macroeconomic environment, the Group will continue to actively search for quality land banks and to participate in development projects with strong growth and potential. The management team remains focused on the Group's mission to become one of the best property developers in the country by delivering quality and award-winning products to the public.



Dijaya and its joint venture partner, Iskandar Water Front Sdn Bhd, are planning to develop an integrated waterfront project that will be called Tropicana Danga Bay

Recognising the importance of sustaining customer loyalty plus increasing customer reach, the management will continue to formulate better business and project management strategies. The success of our renewed Dijaya Privilege Card programme allow us to forge closer ties with our customers by offering cardholders a “Lifestyle of a Lifetime” comprising a wide range of privileges and promotions. The customer information we gain from this programme allows us to launch targeted and innovative developments that will ultimately provide the Group a firmer foothold in the marketplace.

The Group also values its employees and understands the importance of human assets. We offer all our employees the opportunity to enhance their skills through myriad training, career development and promotion programmes. Dijaya’s Employees’ Share Option Scheme allows staff to own equity stake in the Company and encourages both their loyalty and commitment to the Group’s future objectives.

Given the country’s positive macroeconomic prospects and the Group’s healthy balance sheet, we are confident of embracing the many challenges that the forthcoming financial year will bring while making the most of any opportunities that come our way. On that note, I wish to extend a heartfelt thank you to our shareholders for their unwavering support throughout 2010, as well as all of our customers, financiers, suppliers and business partners. I would also like to extend my sincere thanks to my fellow Board members for their commitment and invaluable advice over the past year, and look forward to working closely with you in the year ahead.

#### **Tan Sri Dato’ Tan Chee Sing**

Group Chief Executive Officer

<sup>1</sup> Xinhua, 9 March 2011

<sup>2</sup> Asia Property Report, 22 February 2010

<sup>3</sup> Hotel.com Hotel Price Index, 21 March 2010

<sup>4</sup> Bernama, 11 February 2011

<sup>5</sup> Bernama, 15 October 2010

<sup>6</sup> Business Times, 11 March 2011

# Managing Director's Review

## A Year of Achievements

2010 was a year of solid progress for Dijaya Corporation Berhad. An encouraging economic environment contributed to strengthening sales and we were able to grow and make sustainable improvements across both new and existing projects.

The Group achieved its highest level of recorded sales to date, surpassing RM500 million. Dijaya posted a profit before tax of RM53.39 million. This figure took into account the profit contributions of completed projects such as Casa Indah 1 & 2. The other new projects in 2010 are still in the stages of development and have not yet been completed. Thanks to our performance, we were able to reward our shareholders by increasing our dividend payment from 3 sen to 5 sen per share less tax in 2010.

Dijaya's projects continue to build upon the Group's signature resort living concept. These include the luxurious Tropicana Grande golf-fronted condominiums and Casa Tropicana,

Block E condominiums in Tropicana Golf & Country Resort, the stylish villa developments – Grand Villas and Pool Villas – in Tropicana Indah Resort Homes and new projects in Sungai Long, Balakong, Penang and Johor.

Our projects received wide recognition and recently our Tropicana Golf & Country Resort garnered the best golf development in Malaysia and Asia Pacific region at the 2010 International Property Awards in association with Bloomberg Television.

## Our Strategy: Greater Depth and Scope

Moving forward, we have set out strategic priorities in two key areas.

Firstly, the Group is establishing deeper sources of recurring income to sustain earnings and growth far into the coming decade. Our on-going search for quality land in quality locations will further augment our land bank. Our recent acquisition of land

parcels in Danga Bay, Johor, will extend our activities in Iskandar Malaysia for the next 10 years.

In addition, the Dijaya Privilege Card programme will reward our loyal customers while drawing them into a life-long investment experience, building our markets well into the future. This is another initiative specially crafted by us to provide our customers better services and greater returns when they purchase our properties. As a member, you can look forward to unmatched distinction from us; ranging from special privileges on properties, cash rewards through selected property referrals, members-only pricing from choice merchant partners on dining, shopping and more. The privilege card also offers a life-long investment experience for family members where you and your family will be invited to exclusive launches or events organised by Dijaya.

2010 was a year of solid progress for Dijaya Corporation Berhad. An encouraging economic environment contributed to strengthening sales and we were able to grow and make sustainable improvements across both new and existing projects





FROM TOP:

The luxurious Pool Villas that comes with a private lift and a private pool was well-received by discerning homebuyers during its special preview at Tropicana City Mall

The Grand Villas development offers only 12 exclusive bungalows with private lift, private pool and detached car porches



Managing Director's Review

The Dijaya Privilege Card is a special initiative to strengthen our brand to a new level by offering exclusive benefits to our loyal customers. The card is our reward and appreciation to customers, providing special rebates on properties, cash rewards for property referrals and members-only pricing from selected merchant partners

Secondly, the Group is diversifying the scope of its operations to become a global business. Our operations in 2011 will expand into the hospitality and retail sectors. By following a plan of measured and sensible growth, we can bring our brand values to a wider scope of emerging markets.

Corporate Responsibility

Our direction as a socially responsible corporation remains clear. We will continue to look for ways to give back to society and fulfil our duty as a responsible member of our communities. The Dijaya Tropicana charity foundation will be launched in 2011 and is expected to enhance our role in charitable causes.

The Tropicana Golf & Country Club (TGCC) has been serving its community since 1996, and the Group recognises the TGCC's importance in the lifestyles of its members, residents and guests. I am also pleased to note that the club's talented chefs were invited to represent Malaysia on the international stage at the World Food Festival at Vung Tau City, Vietnam. Given the almost iconic status of this establishment, the Group has thus decided to initiate a multi-million ringgit renewal of both the club's facilities and the award-winning golf greens.

The Group employs almost 1,000 men and women, each of whom is a valued and vital part of the organisation. The Group understands the importance of work-life balance, and offers all its employees the opportunity to develop to their full potential through myriad training, career development and promotion programmes. Dijaya's Employees' Share Option Scheme allows staff to own a real stake in the Company and encourages both their loyalty and commitment to the Group's future objectives.

Gratitude

I would also like to convey my appreciation to the Board of Directors, the management and the staff of Dijaya for their support, dedication, commitment and contributions. We pledge our unwavering commitment to do our best and let us all make 2011 another wonderful year for Dijaya!

Dato' Tong Kien Onn  
Managing Director

Friendly sales personnel of Dijaya were on hand to attend to visitors and guests

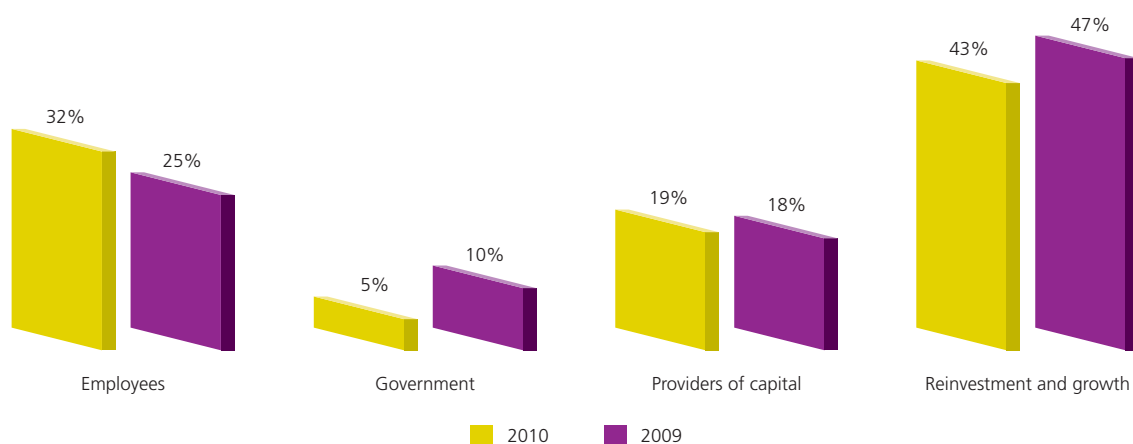


# Value Added Statement

|                                     | 2010<br>RM'000 | 2009<br>RM'000 |
|-------------------------------------|----------------|----------------|
| <b>Value Added</b>                  |                |                |
| Total turnover                      | 292,258        | 311,777        |
| Purchases of goods and services     | (191,762)      | (191,918)      |
| <b>Value Added by the Group</b>     | <b>100,496</b> | <b>119,859</b> |
| Share of profits of associates      | 6,605          | 4,978          |
| <b>Total Value Added</b>            | <b>107,101</b> | <b>124,837</b> |
| Reconciliation :                    |                |                |
| Profit for the year                 | 43,252         | 50,512         |
| Add : Depreciation and amortisation | 13,523         | 11,895         |
| Finance costs                       | 6,001          | 9,575          |
| Staff costs                         | 34,183         | 31,252         |
| Taxation                            | 5,725          | 12,652         |
| Minority interest                   | 4,417          | 8,951          |
| <b>Total Value Added</b>            | <b>107,101</b> | <b>124,837</b> |

|                                | 2010<br>RM'000 | 2009<br>RM'000 |
|--------------------------------|----------------|----------------|
| <b>VALUE DISTRIBUTED</b>       |                |                |
| <b>Employees</b>               |                |                |
| Salaries and other staff costs | 34,183         | 31,252         |
| <b>Government</b>              |                |                |
| Corporate taxation             | 5,725          | 12,652         |
| <b>Providers of capital</b>    |                |                |
| Dividends                      | 10,237         | 3,894          |
| Finance costs                  | 6,001          | 9,575          |
| Minority interest              | 4,417          | 8,951          |
| <b>Reinvestment and growth</b> |                |                |
| Depreciation and amortisation  | 13,523         | 11,895         |
| Income retained by the Group   | 33,015         | 46,618         |
| <b>Total Distributed</b>       | <b>107,101</b> | <b>124,837</b> |

Value Distributed



# Financial Calendar 2010

## Announcement of Quarterly Results

|                         |                                                                                            |
|-------------------------|--------------------------------------------------------------------------------------------|
| <b>19 May 2010</b>      | Announcement of the unaudited consolidated results for the quarter ended 31 March 2010     |
| <b>24 August 2010</b>   | Announcement of the unaudited consolidated results for the quarter ended 30 June 2010      |
| <b>23 November 2010</b> | Announcement of the unaudited consolidated results for the quarter ended 30 September 2010 |
| <b>21 February 2011</b> | Announcement of the unaudited consolidated results for the quarter ended 31 December 2010  |

## Annual Report & Annual General Meeting

|                     |                                                                                                  |
|---------------------|--------------------------------------------------------------------------------------------------|
| <b>30 May 2011</b>  | Date of notice of the 32nd Annual General Meeting and date of issuance of the Annual Report 2010 |
| <b>22 June 2011</b> | Date of the 32nd Annual General Meeting                                                          |

## Interim Dividend

|                       |                                                                                                                                                             |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>27 May 2011</b>    | Announcement of the notice of entitlement and payment of 5 sen first and final dividend less 25% income tax for the financial period ended 31 December 2010 |
| <b>08 July 2011</b>   | Date of entitlement to 5 sen first and final dividend less 25% income tax for the financial period ended 31 December 2010                                   |
| <b>02 August 2011</b> | Date of payment of 5 sen first and final dividend less 25% income tax for the financial period ended 31 December 2010                                       |



## Corporate Information

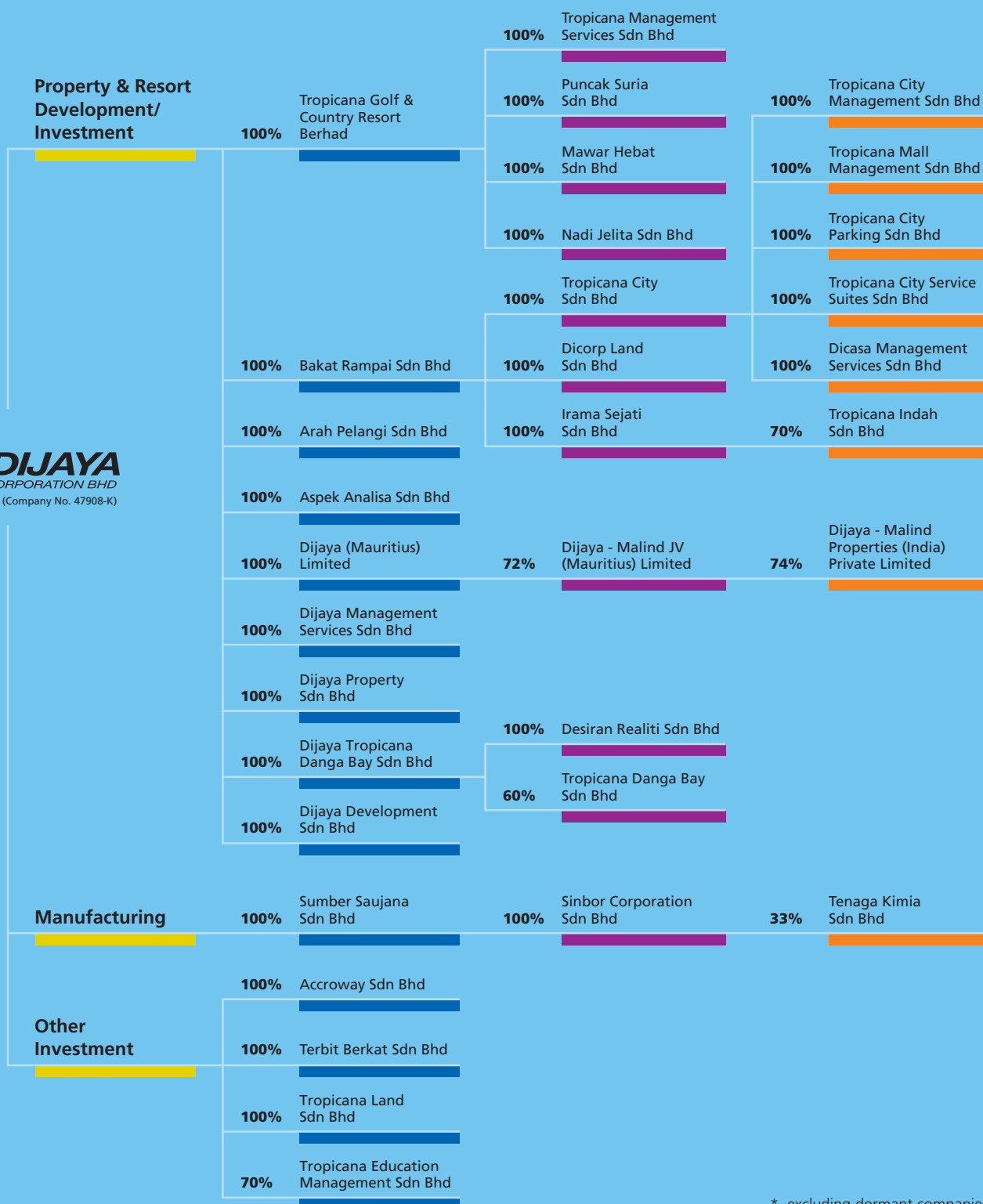
- 34 Group Corporate Structure
- 35 Corporate Data
- 36 Board of Directors
- 38 Directors' Profile
- 44 Management Team
- 46 Management Profiles



Dijaya seeks to be a responsible employer by providing a healthy and conducive **workplace**. We offer training, promotion and career development opportunities to an almost 1000-strong workforce with the goal of creating a more enthusiastic and dynamic organisation, from top to bottom

# Group Corporate Structure

AS AT 29 APRIL 2011



\* excluding dormant companies

# Corporate Data

## Board of Directors

Datuk Rohana Binti Tan Sri Mahmood  
(Independent Non-Executive Chairman)

Tan Sri Dato' Tan Chee Sing  
(Group Chief Executive Officer)

Dato' Tong Kien Onn  
(Managing Director)

Dickson Tan Yong Loong  
(Deputy Managing Director)

Tan Seng Chye  
(Executive Director)

Kong Woon Jun  
(Executive Director)

Roslan Bin Hj Yahya  
(Independent Non-Executive Director)

Loh Chen Peng  
(Independent Non-Executive Director)

Michael Tang Vee Mun  
(Independent Non-Executive Director)

Datuk Seri Panglima Mohd Annuar Bin Zaini  
(Independent Non-Executive Director)

Dato' Ng Tian Sang @ Ng Kek Chuan  
(Independent Non-Executive Director)

## Head Office

Level 10-12, Tropicana City Office Tower  
No. 3, Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Tel : 03-7710 1018  
Fax : 03-7725 3035

## Registered Office

C-06-02, 6th Floor, Block C, Wisma TT  
No. 1, Jalan PJS 8/15  
Dataran Mentari  
46150 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : 03-5621 3808  
Fax : 03-5621 3807

## Auditors

Ernst & Young  
Chartered Accountants  
Level 23A, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
50490 Kuala Lumpur  
Malaysia  
Tel : 03-7495 8000  
Fax : 03-2095 9076

## Share Registrar

Symphony Share Registrars Sdn Bhd  
Level 6, Symphony House, Block D13  
Pusat Dagangan Dana 1  
Jalan PJU 1A/46  
47301 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Tel : 03-7841 8000  
Fax : 03-7841 8008

## Company Secretary

Wong Lay See

## Principal Bankers

Alliance Bank Malaysia Berhad  
AmBank (M) Berhad  
Affin Bank Berhad  
CIMB Bank Berhad

## Stock Exchange Listing

Main Market of  
Bursa Malaysia Securities Berhad

## Website

[www.DIJAYA.com.my](http://www.DIJAYA.com.my)

# Board of Directors





SEATED, FROM LEFT:

**Dato' Tong Kien Onn**  
(Managing Director)

**Tan Sri Dato' Tan Chee Sing**  
(Group Chief Executive Officer)

**Dickson Tan Yong Loong**  
(Deputy Managing Director)

**Datuk Rohana  
Binti Tan Sri Mahmood**  
(Independent Non-Executive  
Chairman)

**Datuk Seri Panglima  
Mohd Annuar Bin Zaini**  
(Independent Non-Executive  
Director)

STANDING, FROM LEFT:

**Dato' Ng Tian Sang  
@ Ng Kek Chuan**  
(Independent Non-Executive  
Director)

**Kong Woon Jun**  
(Executive Director)

**Loh Chen Peng**  
(Independent Non-Executive  
Director)

**Roslan Bin Hj Yahya**  
(Independent Non-Executive  
Director)

**Tan Seng Chye**  
(Executive Director)

**Michael Tang Vee Mun**  
(Independent Non-Executive  
Director)

# Directors' Profile



## **Datuk Rohana Binti Tan Sri Mahmood**

(Independent Non-Executive Chairman)

Datuk Rohana Binti Tan Sri Mahmood, a Malaysian aged 57, was appointed to the Board of Directors of Dijaya Corporation Berhad ("Dijaya") on 10 November 2004 and was later appointed as the Chairman of Dijaya on 22 January 2010.

Datuk Rohana holds a Bachelor of Arts Degree (Hons) in Politics from the University of Essex, United Kingdom and Masters in International Relations from the University of Sussex, United Kingdom.

Datuk Rohana's working experience encompasses both the private and government sectors and has extensive political and business network in Malaysia and the Asia Pacific region. She is the Chairman and Partner of Ethos Capital Sdn Bhd, a RM250 million private equity fund that invests in Asian companies. She is also the President and Founding Member of the Kuala Lumpur Business Club (KLBC), Board Member of the Pacific Basin Economic Council (PBEC), Distinguished Fellow and a Board member of the Institute of Strategic and International Studies Malaysia (ISIS), a Member of the Malaysian Committee of the Council for Security Cooperation in the Asia Pacific (CSCAP), founding Board member of the Malaysian Strategic Research Centre (MSRC) and Member of Board of Trustees of The Asia Society, New York. Prior to ISIS, she was at the Ministry of Foreign Affairs Malaysia. She is the Chairman of National Science Centre, a member founder and member of Board Trustees of Yayasan Inovasi Malaysia (YIM) and member of the National Information Technology Council (NITC). In addition, she also sits on the Board of various private and public listed companies, including Paramount Corporation Berhad, KDU College Sdn Bhd, Omni Group of Companies and YIM Technology Resources Sdn Bhd.

Datuk Rohana does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. She has not been convicted of any offence within the past 10 years.



### **Tan Sri Dato' Tan Chee Sing**

(Group Chief Executive Officer)

Tan Sri Dato' Tan Chee Sing, a Malaysian aged 56, was appointed to the Board on 5 July 1995. He is currently the Group Chief Executive Officer of Dijaya. He is a businessman and entrepreneur having a wide spectrum of businesses with extensive experience in property development, resort management, restaurants, leisure and entertainment operations through his investments in public and private limited corporations.

Tan Sri Dato' Tan is also the Executive Vice-Chairman of TT Resources Bhd, Chief Executive Officer of Tropicana Golf & Country Resort Berhad, Deputy Chairman of Berjaya Assets Berhad, and a Director of Berjaya Capital Berhad, Bukit Kiara Resort Berhad, KDE Recreation Berhad, Tioman Island Resort Berhad and Berjaya Golf Resort Berhad. He is also the Chairman of Sports Toto Malaysia Sdn Bhd and a Director of U Mobile Sdn Bhd, a 3G mobile service provider.

His son, Mr Dickson Tan Yong Loong, is also a member of the Board. Save as disclosed, Tan Sri Dato' Tan does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company except for certain recurrent related party transactions of revenue or trading nature which are necessary for the day-to-day operations of the Group. He has not been convicted of any offence within the past 10 years.



### **Dato' Tong Kien Onn**

(Managing Director)

Dato' Tong Kien Onn, a Malaysian aged 52, was appointed to the Board on 18 January 2002. He was appointed as the Managing Director of Dijaya on 10 May 2007. He is also the Chairman of the Option Committee.

Dato' Tong is an Accountant by profession and an Associate member of The Chartered Institute of Management Accountants, United Kingdom.

Dato' Tong has more than 20 years of experience in the finance and accounting fields through his employments with a number of Malaysian companies including United Prime Corporation Berhad. He joined Dijaya in 1991 as Senior Finance Manager, primarily responsible for Dijaya Group's finance, accounting and treasury functions. He was promoted as General Manager of Finance and Administration in 2000 and Senior General Manager of Finance Administration in the same year before appointed as an Executive Director in 2002.

Dato' Tong does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years.



## Directors' Profile

### Dickson Tan Yong Loong

(Deputy Managing Director)

Mr Dickson Tan Yong Loong, a Malaysian aged 30, was appointed to the Board on 20 May 2009. He was appointed as an Executive Director of Dijaya on 1 April 2010 and was appointed as the Deputy Managing Director of Dijaya on 8 October 2010. He is also a member of the Option Committee and Investment Committee.

Mr Tan graduated with a Bachelor of Science (Honours) in Business Management from King's College, University of London, United Kingdom in 2002. He obtained a Masters of Science in Internal Auditing and Management from Cass Business School, City University, United Kingdom in 2003.

Mr Tan started his career with CIMB Securities Sdn Bhd as an Equities Analyst in 2004 and joined Dijaya as Business Development Manager in 2005. Mr Tan was appointed as Business Development General Manager and Editor-In-Chief of 'The Address' and 'Directions' publications in 2006. He is presently overseeing group corporate strategy, planning and risk management and is also a director of several private corporations involving in manufacturing, services, media, leisure, retail, property development and property investment.

He currently serves on the board of Berjaya Corporation Bhd, Berjaya Sports Toto Bhd, Berjaya Land Bhd, Tropicana Golf & Country Resort Bhd, Tropicana Indah Sdn Bhd, Tropicana City Sdn Bhd, Tenaga Kimia Sdn Bhd, Palmgold Corporation Sdn Bhd, TT Resources Berhad and several other local and international private limited companies.

Mr Tan is affiliated with certain non-profit organizations, including as a member of the Kuala Lumpur Business Club and a member of the Malaysian Institute of Management.

His father, Tan Sri Dato' Tan Chee Sing, is the Group Chief Executive Officer of Dijaya and a major shareholder of Dijaya. Save as disclosed, he does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years.

### Tan Seng Chye

(Executive Director)

Mr Tan Seng Chye, a Malaysian aged 49, was appointed as an Executive Director of Dijaya on 1 January 2011. He is also a member of the Option Committee.

Mr Tan is an accountant by profession. He started his career as an article clerk in Price Waterhouse (now known as PricewaterhouseCoopers) in 1982. He was admitted as a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants in 1986. Mr Tan has held senior positions in various public listed companies both locally and overseas throughout his 29 years working experience. Amongst the major public listed companies that he has worked in are Malayan Banking Berhad, Hong Leong Group Malaysia, Berger International Limited and Plenitude Berhad.

Mr Tan joined Dijaya in 2010 as Chief Operating Officer, responsible for the Dijaya Group's operations, and was appointed as an Executive Director in 2011.

Mr Tan does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years.



### **Kong Woon Jun**

(Executive Director)

Mr Kong Woon Jun, a Malaysian aged 48, was appointed to the Board as Executive Director on 1 March 2011. He is also a member of the Option Committee.

Mr Kong graduated with a Bachelor of Architecture (Honours) in 1989 from the University of Wales Institute of Science and Technology (UWIST), Wales, United Kingdom. He is a Member of the Architects Registration Board (ARB) in United Kingdom and a corporate member of Pertubuhan Arkitek Malaysia (PAM).

Mr Kong has more than 20 years of experience in property development and construction industry. He started his career as a Senior Architect in BEP Arkitek Sdn Bhd in-charge of high end property developments in year 1994. He served as the Director of Project and Product Planning of Perdana Parkcity Sdn Bhd from year 2003 to 2008, where he played a major role in the planning and designing of the township called Desa ParkCity, Kuala Lumpur. Prior to Dijaya, he joined TA Global Berhad in April 2008 as the Director of Planning & Design and was promoted to Chief Operating Officer in August 2008. With his experience in township master plan, he was actively involved in concept planning and product design for the projects under his supervision.

Mr Kong does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years.



### **Roslan Bin Hj Yahya**

(Independent Non-Executive Director)

Encik Roslan Bin Hj Yahya, a Malaysian aged 61, was appointed to the Board on 21 March 2001. He is the Chairman of the Audit Committee and the Nomination Committee, and is also a member of the Remuneration Committee.

Encik Roslan obtained his Associate, Chartered Institute of Bankers, United Kingdom and has been in the banking and finance industries for 30 years. He was the Chief Executive Officer of Kewangan Usaha Bersatu Bhd, the finance arm of Idris Hydraulic (Malaysia) Berhad and the Executive Vice Chairman of South Johor Equities Sdn Bhd, the holding company of South Johor Securities Sdn Bhd.

Encik Roslan does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years.



## Directors' Profile

### Loh Chen Peng

(Independent Non-Executive Director)

Mr Loh Chen Peng, a Malaysian aged 57, was appointed to the Board on 22 March 2004. He is the Chairman of the Remuneration Committee and the Investment Committee, and is also a member of the Audit Committee and Nomination Committee.

Mr Loh is an accountant by profession and a member of the Malaysian Institute of Certified Public Accountants (MICPA). He started his career with an international accounting firm in 1975 and gained membership to MICPA. He then joined a merchant banking group in 1980 and for the next 13 years, held senior management positions in the areas of corporate finance and corporate banking. Thereafter, he had a short stint with a stock broking group. In 1994, he helped establish a commercial bank and served on its Executive Committee of Directors until 2001.

Mr Loh is now involved in some private ventures and is an Independent Non-Executive Director of Berjaya Retail Berhad and Berjaya Media Berhad.

Mr Loh does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years.

### Michael Tang Vee Mun

(Independent Non-Executive Director)

Mr Michael Tang Vee Mun, a Malaysian aged 38, was appointed to the Board on 13 November 2010. He is also a member of the Investment Committee.

Mr Tang holds a Bachelor of Laws (Honours) Degree from the London School of Economics and Political Science, University of London and is a Barrister-at-Law of the Honourable Society of Lincoln's Inn, London.

Mr Tang is a businessman with experience in various business sectors, including manufacturing, engineering, and real property development and investment. He was previously a partner of one of the oldest and largest law firms in Malaysia. His area of practice was corporate law. Mr Tang was listed as a leading corporate/mergers and acquisitions practitioner in Malaysia by Chambers Global, in its publication, The World's Leading Lawyers.

Apart from being on the board of several companies, Mr Tang is a trustee of 1Malaysia Community Alliance Foundation, a charitable foundation dedicated to crisis relief.

Mr Tang does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years, other than traffic offences.



### **Datuk Seri Panglima Mohd Annuar Bin Zaini**

(Independent Non-Executive Director)

Datuk Seri Panglima Mohd Annuar Bin Zaini, a Malaysian aged 60, was appointed to the Board on 27 January 2010. He is also a member of the Audit Committee and the Investment Committee.

Datuk Seri Panglima holds a Master of Arts in Law & Diplomacy from The Fletcher School of Laws & Diplomacy, Tufts University, United States of America and a Bachelor of Arts with honours in Economics from University Kebangsaan Malaysia.

Datuk Seri Panglima began his career in the government service as an Administrative and Diplomatic Officer in 1977. He served the Malaysian Government at various ministries and departments and also the Perak State Government until he chose to take an optional retirement from the government service in 1999.

Datuk Seri Panglima was Advisor and Chief Executive of Northern Corridor Implementation Authority from 2007 to 2009. He was the Chairman of Malaysian National News Agency (BERNAMA) from February 2004 to January 2010. In February 2004, HRH The Sultan of Perak consented his appointment as Member of the Council of Elders to HRH Sultan of Perak. He is a Member of the Perak Council of Islamic Religion and Malay Customs and the Perak State Islamic Economic Development Corporation. He is also a Distinguished Fellow to Institute of Strategic and International Studies (ISIS) Malaysia and Adjunct Professor of Northern Corridor Economic Region Research Centre, Universiti Utara Malaysia.

Datuk Seri Panglima also sits on the Board of Malaysian Airline System Berhad and Plus Expressways Berhad and a few private limited companies.

Datuk Seri Panglima does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years.



### **Dato' Ng Tian Sang @ Ng Kek Chuan**

(Independent Non-Executive Director)

Dato' Ng Tian Sang @ Ng Kek Chuan, a Malaysian aged 64, was appointed to the Board of Dijaya on 29 March 2011.

Dato' Ng graduated with a Bachelor of Commerce degree from the University of Western Australia in 1971. He is a member of the Malaysian Institute of Accountants and Australian Association of Certified Practising Accountants. He is a member of the Australian Institute of Company Directors (AICD).

Dato' Ng was attached with IBM World Trade Corporation from 1973 to 1979 as a Business Controller. From 1980 to 1992, he ventured as an entrepreneur involved in real estate development and other businesses.

Dato' Ng was the Executive Deputy Chairman of PanGlobal Bhd and Chairman of PanGlobal Insurance Bhd from 1995 to 1999. From 1996 to 1999, Dato' Ng was the Executive Chairman of Econstate Bhd. He was the Deputy President of REHDA from 1997 to 1999, and was accorded the International Honorary President of the Western Australia Chinese Chamber of Commerce in 1997. He was appointed as the Chairman and Chief Executive Officer of Datong Bhd. He was also an Independent Non-Executive Director of TT Resources Bhd from July 2001 to November 2008. He was the Executive Director of Midwest Corporation Ltd from 2006 to 2009. MidWest is involved in Iron ore mining in West Australia.

Dato' Ng does not have any family relationship with any Director and/or major shareholder of Dijaya, nor any personal interest in any business arrangement involving the Company. He has not been convicted of any offence within the past 10 years, other than traffic offences.

# Management Team

FROM LEFT:

**Yeap Chin Chong**

(Executive Director, Tropicana City)

**Koong Wai Seng**

(Finance Director)

**Jeffrey Tan Siew Yang**

(Deputy General Manager, Group Legal)

**Ng Siew Yen**

(Senior Manager, Group HR)

**Allan Ngu Kea Ping**

(General Manager,  
Group Corporate & Investment)

**Joanne Lee Sor Phaik**

(General Manager,  
Group Central Purchasing)





FROM LEFT:

**Lillian Lung Hian Li**  
(General Manager,  
Marketing & Sales)

**You Boon Peng**  
(General Manager,  
Property Development)

**Serena Lim Sien Soo**  
(Senior Manager,  
Communications & Promotions)

**Eason Phan Yoke Seng**  
(General Manager,  
Property Development)

**Lee Wee Kee**  
(General Manager,  
Property Development)



FROM LEFT:

**Ho Hon Chiap**  
(Deputy General Manager,  
Property Management)

**Wong Lay See**  
(Company Secretary)

**Herman Tan Kar Eng**  
(Senior General Manager,  
Tropicana Golf &  
Country Resort)

# Management Profiles

## Koong Wai Seng

Finance Director

Chartered Accountant of Malaysia Institute of Certified Public Accountant, and Bachelor of Accounting from University Malaya

Mr Koong has 17 years of financial management experience in a variety of industries including audit, financial advisory, leisure, hospitality, healthcare, property development and property investment. He started his career in Arthur Andersen & Company. Later he was with Sunway City Berhad for 13 years and was promoted to Chief Financial Officer. Subsequently, he joined Sunway Holdings Berhad as a Finance Director and Director of Investment with 1Malaysia Development Berhad before joining Dijaya.

## Yeap Chin Chong

Executive Director, Tropicana City

CIM Diploma in Marketing Parts 1 and 2, IBBM Diploma in Banking Parts 1 and 2, MIM Certified Professional Trainer and Train the Trainer Certification from MIM – Pembangunan Sumber Manusia Berhad (PSMB), and a member of the Malaysian Institute of Management (MMIM).

Mr Yeap has served in various prominent companies for 27 years before joining Dijaya. Starting his career as a Bank Officer in Standard Chartered Bank, Penang, he soon moved to Kuala Lumpur and joined a trading company as General Manager. His last position before joining Dijaya was a Giant hypermarket General Manager with GCH Retail (M) Sdn Bhd.

## Herman Tan Kar Eng

Senior General Manager, Tropicana Golf & Country Resort

London School of Accountancy and Hotel and Catering Administration (Higher National Diploma) from Middlesex University

Mr Herman Tan has wide experience in the food & beverage hospitality and club industry having served as Food & Beverage Manager of Federal Hotel, Ferringhi Hotel, Phoenix Hotel Singapore and Hotel Manager Renaissance Cruise. He received his early training in various capacities from Rank Xerox HQ, Grosvenor House Hotel, Buckland House Serviced Apartments and Hotel Tria, all which are London based companies.

His Club and Resort Management experience include being the General Manager of Bukit Kiara Equestrian & Country Resort and Kelab Darul Ehsan. He joined Tropicana Golf & Country Resort as Deputy General Manager in April 2003 and was promoted to General Manager in 2005 and Senior General Manager in 2009.

## Lee Wee Kee

General Manager, Property Development

B.E. (Hons) in Civil Engineering from University of Malaya, Graduate Member of Institute of Engineers Malaysia and The Board of Engineers Malaysia

Mr. Lee has 20 years of property development and engineering and project management experience prior to joining Dijaya. He has first worked with engineering consulting firm, Zaidun-Leeng Sdn Bhd as a Trainee Engineer before joining Hong Leong Property Management Co Sdn Bhd as a Site Engineer. Subsequently, he was promoted to Project Engineer, Project Manager and various key positions in Senior Managerial level before becoming a General Manager. He has extensive experience in handling large scale integrated mixed developments and high-end developments. He was the General Manager of GuocoLand (M) Berhad, a Public Listed Company and a member of Hong Leong Group Malaysia before starting his employment with Dijaya.

## Eason Phan Yoke Seng

General Manager, Property Development

Master of Engineering (Civil & Structural) of Nanyang Technological University, Singapore

Mr Eason Phan began his career with local conglomerate Sunway Construction Berhad as Graduate Engineer in the Planning Division. He has risen through the ranks, as an engineer to holding different managerial positions in planning, operation management, business development, process improvement and was promoted to become Head of Special Unit at group level. His last position prior to joining Dijaya was Head of Operations in Property Development with AQRS the Building Co Sdn Bhd.

## You Boon Peng

General Manager, Property Development

BSc (Hons) 2nd Class Upper in Civil Engineering from University of Manchester, Institute of Science and Technology, United Kingdom, and A Level from Cauldon College of Stoke-on-Trent, United Kingdom. He is a Member of the Institute of Engineers, Malaysia and a Professional Engineer with the Board of Engineers, Malaysia.

Mr You started his career in JKR Jengka, Pahang as a JKR Building Engineer in 1981 and subsequently became a Civil Engineer in HSS Integrated Consultant in Kuala Lumpur. He has 30 years of working experiences in engineering and property development and this includes working as a Senior Project Manager in Horsedale Development Berhad (a subsidiary of DRB Hicom) in Shah Alam. His last position before joining Dijaya was as a General Manager for Plenitude Heights in Kedah and Penang.

### Lillian Lung Hian Li

General Manager, Marketing & Sales

Bachelor of Arts, Psychology (2nd class Upper - Hons) from University Kebangsaan Malaysia

Ms Lillian Lung joined Dijaya in February 2005 and was appointed as General Manager of Marketing and Sales in 2010. With more than 20 years' experience in the property industry, Lillian has had the opportunity to hold various positions in sales, marketing as well as sales documentation. Prior to joining Dijaya, Lillian was working with the Hong Leong Group (now known as GuocoLand (M) Berhad), a reputable property developer in the country. She started her career as a Marketing Executive, a position she held for 7 years before being promoted to Assistant Manager. Within 2 years, she was moved up to the position of Marketing Manager and subsequently Sales and Documentation Manager.

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### Allan Ngu Kea Ping

General Manager, Group Corporate & Investment

Bachelor of Commerce (Finance) from Curtin University of Technology, Australia

Mr Allan Ngu has 10 years of working experience in the investment banking industry covering mainly corporate finance and equities dealing which involved mergers and acquisitions, corporate and debt restructuring exercises, equity fund raising, initial public offerings and other equity-related corporate exercises. He started his career with the corporate finance department of Southern Investment Bank Berhad in 2001. He then joined Kuwait Finance House (M) Berhad as Assistant Manager, Investment Banking in 2006. Subsequently, he joined the Equities Dealing department of RHB Investment Bank Berhad in 2007 as Manager. He then left RHB Investment Bank Berhad to join Dijaya as Deputy General Manager of Group Corporate & Investment in 2010 and was promoted to his current position in 2011.

### Jeffrey Tan Siew Yang

Deputy General Manager, Group Legal

LLB, B.Commerce from Monash University, Australia and MSc (Information Technology in Business) from University of Lincoln, United Kingdom

Mr Jeffrey Tan brings with him more than a decade-long of experience in corporate and commercial transactions, mergers and acquisitions transactions, and intellectual property protection and commercialisation. He was formerly a Partner at Azmi & Associates in Kuala Lumpur, a registered Trade Mark Agent and a licensed foreign lawyer in Singapore. Prior to joining Azmi & Associates, Jeffrey was the Partner and Head of the Intellectual Property and Technology Practice Group at Raslan Loong, another prominent law firm based in Kuala Lumpur, with offices in Singapore, Mannheim and Pretoria.

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### Ho Hon Chiap

Deputy General Manager, Property Management

Master Degree in Property Asset Management from Sheffield Hallam University, United Kingdom and Diploma in Building from Tunku Abdul Rahman College

Mr Ho was a Construction Manager and Quantity Surveyor (Purchasing) for 11 years in Statecom Development Sdn. Bhd. and Amedeo Development Sdn. Bhd. (Brunei) after graduating from Tunku Abdul Rahman College. Upon completing his Master Degree, Mr Ho joined Cempaka Asset Management Services Sdn Bhd as a Building Manager for 8 years before starting his employment with Dijaya.

We will continue to deliver on our responsibility to give back to society by supporting various charitable causes, participating in celebrations and **community** events. We will help create a more compassionate and supportive community, especially within our circles of influence





## Corporate Responsibility

50 Spirit of Dijaya

56 Highlights 2010

60 Dijaya in the News

# Spirit of Dijaya



We believe that it is our duty  
to contribute and engage with the  
communities in which we belong  
and society at large

## Building Better Communities

Dijaya continued to deliver on its responsibility to give back to society by supporting various charitable causes and participating in celebrations and community events throughout 2010.

In February 2010, 150 senior citizens from Charis Home celebrated a Chinese New Year lo sang at Tropicana City Mall. The lunch event was sponsored by Tai Thong, and the Mall's mascots gave out goodie bags and red packets.

During Dijaya's annual dinner in March 2010, Dijaya and its two corporate clients, TT Resources Berhad and Palmgold Corporation Sdn Bhd, contributed a total of RM60,000 to three charity organisations. Later that



same month, Dijaya also became one of several contributors at the Charity Night of Kasih, the Selangor Charity Body. Launched by Prime Minister YAB Datuk Seri Najib Tun Razak, the event raised a total of RM2.8 million for the needy. The Group donated RM100,000 to the cause.

Dijaya was happy to contribute RM10,000 to the "Semarak Semangat 1 Malaysia" charity carnival held in Perak in May 2010. The event attracted more than 1,000 spectators and featured cultural presentations, musical performances and competitions. The company also participated in the annual Edge-Bursa Malaysia Kuala Lumpur Rat Race in August 2010 to benefit needy causes, an event that we have not missed since 2004. The event collected funds of over RM1.6 million for the benefit of 20 charitable organisations.

The Tropicana Golf & Country Resort (TGCR) was again pleased to host the 17th Annual Ronald McDonald House Charities Malaysia-Tropicana Golf Championship on 22 October 2010, where 136 golfers helped to raise RM180,000 towards building Ronald McDonald Sensory Room facilities for both the Hopehaven Centre for Special Children in Melaka and the Seri Mengasih Centre in Kota Kinabalu, Sabah. One day later, the TGCR kicked off the Make A Difference Charity Century Ride, in which 150 cyclists began a 360-km journey across Selangor, Negeri Sembilan, Malacca and Johor over two consecutive days. The event, organised by Malakoff Corporation Berhad and co-sponsored by TGCR, Algotech Sdn Bhd and Kluang Mall, successfully raised RM103,700 for five charity homes.



Tropicana Golf & Country Resort also hosted an open house for orphans in November 2010 for 150 orphans aged five to 17. The youngsters were treated to a lunch buffet and participated in games at the event. Tropicana Golf & Country Resort collaborated with its corporate clients – D’Fortune Club, Camberwell Club and Metro Club – all of which made generous contributions towards three homes, namely Rumah Anak Yatim Darul Kifayah, Rumah Bakti and SK Alam Damai. Contributions amounted to RM30,000 were collected to assist in easing their financial burdens.

Finally, towards the end of 2010, Dijaya donated RM500,000 to the newly launched 1MCA Medical Foundation at its first fund-raising dinner. The foundation provides aid to poor people in need of medical treatment and was launched by Prime Minister YAB Datuk Seri Najib Tun Razak. It quickly reached its goal of gaining RM10 million in funds.

Through our small efforts and contributions, we hope that Dijaya will help create a more compassionate and supportive community, especially within our circles of influence. To this end, Dijaya is currently in the process of setting up its own charity foundation to streamline its charity efforts for worthy causes.



### **Taking Care of the Environment**

Because Dijaya's activities and projects take place in the context of our natural environment, we are aware of the need to minimise harm to the environment.

Our environmental responsibility policy is to always be mindful of established environmental standards while carrying out our operations and services. We also work to maintain the natural features of areas that we develop whenever it is possible, and our developments incorporate the latest technologies that can help reduce our carbon footprint.

For instance, buildings are designed to allow the maximum usage of natural lighting, thus reducing the need for artificial lighting and saving previous resources. Instead of felling trees to make way for construction of our development projects, we have decided, wherever possible, to build around nature. Some of the trees at our project sites are over a century old and actually form part of the landscape of the development. We also plant mature trees in our new developments to improve the landscaping and further add more green lungs to the areas. A metal roofing system, also known as "cool roof", is used in our Villa Green homes to help reduce energy consumption by lowering cooling load. This metal roofing is also durable and 100% recyclable.

We plant mature trees in our new developments to improve the landscaping and further add more green lungs to the areas

Our common goal is to create a work culture that values collaboration. We understand and believe that thinking, planning decisions and actions are better when done cooperatively. We believe that “none of us is as good as all of us”



In Tropicana Golf & Country Resort, the waste heat-recovering system harnesses heat from air-conditioning compressors to heat up water so it could be used in the shower rooms. A piece of energy saving equipment is also installed to reduce electricity consumption. Cut branches and grasses, also known as green waste, were not discarded but recycled into agriculture compost which is a better form of nutrients for the crops. Furthermore, there is a recycling collection centre at the Sports Wing.

#### CSR in the Marketplace

The Group is committed to pursue and practise CSR by ensuring that our operations and business practices are managed responsibly and efficiently with the highest standard of transparency, accountability and integrity in an increasing complex environment. We seek to protect our customers' rights and service their needs at all times. The feedback and suggestions from customers are taken seriously and are used to improve the quality of our products and services.

We maintain a clear, timely and open communication with shareholders, analysts and fund managers to enable them to have a clear understanding of the Group's strategies, performances and growth prospects. Investors and all other interested parties are able to obtain updated information of the Group via its website at [www.DIJAYA.com.my](http://www.DIJAYA.com.my)



### Cultivating Inspiring Workplaces

Dijaya seeks to be a responsible employer by providing a healthy and conducive work environment. We offer training, promotion and career development opportunities to an almost 1,000-strong workforce with the goal of creating a more enthusiastic and dynamic organisation, from top to bottom. In addition, employees have an opportunity to own a stake in the Company through the Employees' Share Option Scheme.

During Chinese New Year, Dijaya hosted a grand gala dinner to thank its entire staff. Celebrating the Group's success and progress in diversity, staff and guests were treated to a sumptuous dinner spread, exciting performances, lucky draws and slideshow presentations highlighting the Group's many years of success.



# Highlights 2010

## January

**15/1/2010 – 21/2/2010**

### **Chinese New Year**

Tropicana City Mall celebrated the season of Spring with a taste of Oriental flavours. Shoppers were treated to a festive bazaar that offers various kinds of goodies as well as exciting performances. In conjunction with the Chinese New Year festivities, senior citizens from Rumah Charis were invited to the Mall for a special lunch treat. Tai Thong sponsored a delicious lunch spread – which started with the traditional lo sang for good luck – while the Mall's mascot gave away goodie bags and ang paws.

**29/1/2010**

### **CIMB Joint Event**

Dijaya hosted a special preview of Tropicana Grande for esteemed Dijaya Privilege Cardmembers and CIMB Platinum cardmembers. The special preview was a lavish event to impress the affluent clientele during the Lunar New Year. Red lanterns lit up the façade of Tropicana Grande sales gallery while guests were entertained by uplifting Oriental tunes courtesy of a four-piece band.

## March

**3/3/2010**

### **"Progress & Diversity"**

#### **Annual Dinner 2010**

Dijaya celebrated the Group's success and progress in diversity with great food, superb performances and charitable giving. Staff and guests were treated to a dinner spread by Spring Garden Chinese restaurant and slideshow presentations highlighting the Group's success. Dijaya's Chairman, Datuk Rohana Tan Sri Mahmood, and Managing Director, Dato' Tong Kien Onn, also gave speeches and shared the Group's achievements. Lucky draw prizes were also presented to all the lucky winners. Dijaya also donated RM20,000 to Yayasan Anak-Anak Yatim Pinggir Taman Tun Dr Ismail to provide financial relief to the orphanage.

**18/3/2010**

### **Private Event with American Express**

Dijaya hosted a special preview of Tropicana Grande for its valued Dijaya Privilege Cardmembers and American Express Platinum cardmembers. Guests were invited to an exquisite dinner, paired with fine wines, at the Tropicana Sales Gallery. During dinner, guests were entertained by a live jazz band and later treated to a presentation by the sales and marketing team.

**20/3/2010**

### **Fahrenheit Heats Up Town**

Fans of Fahrenheit were delighted when the Taiwanese boy band made an appearance at the All Things Digital Fair at Tropicana City Mall. Fahrenheit was invited to promote the latest Canon digital IXUS camera as well as the launch of its concert DVD.

**30/3/2010**

### **Charity Night of Selangor Charity Body, "Kasih"**

Dijaya was amongst one of the many contributors that took part in the Charity Night of Selangor Charity Body, also known as "Kasih", at a hotel in Subang. Dijaya donated RM100,000 to this charity body. The event was launched by Prime Minister YAB Datuk Seri Mohd Najib Tun Razak. Also present was the Prime Minister's wife, YAB Datin Seri Rosmah Mansor, who is the President of Kasih. The charity night succeeded in collecting RM2.8 million which would be distributed to the less fortunate group in Selangor.

## April

**16/4/2010**

### **International Property Awards in association with Bloomberg Television**

Dijaya was presented with two awards in the category of 2010 Best Golf Development. Dijaya's Tropicana Golf & Country Resort was named the Best Golf Development with the

highest five-star rating in Malaysia and Best Golf Development in the Asia Pacific. The event is part of the International Property Awards, the world's most prestigious competition dedicated to identifying the best real estate professionals across the globe.

## May

**1/5/2010**

### **1Malaysia Campaign**

In line with the 1Malaysia campaign, Dijaya contributed RM10,000 to the "Karnival & Kempen Semarak Semangat 1 Malaysia" held at Perak which was officiated by YB Dato' Seri Mohamed Nazri Abdul Aziz, Minister in the Prime Minister's Department. The successful event attracted more than one thousand spectators and saw a host of interesting activities such as the "Semarak Semangat 1 Malaysia" run, tug of wars, cultural performances, exhibition by government and private sectors.

## June

**13/6/2010**

### **Hot Chef Heats Up Mall**

8TV hosted a competition between 988 male DJs and 8TV male hosts in conjunction with the television debut of Hot Chef. Contestants pitted their cooking skills against each other, using their creativity to churn out delicious and presentable dishes.

**17/6/2010**

### **Tropicana 16th Staff Annual Dinner and Dance 2010**

Tropicana Golf & Country Resort (TGCR) celebrated its 16th Annual Dinner and Dance to the theme of "Movieland". The evening featured entertaining performances by the Sunny Dancers, The Paperdoll, Fredo & the Flintstones as well as Tanjong Divas. Lucky draw prizes were also presented to the lucky winners. A group of TGCR staff also put up a rousing rendition of "We are the World".



**19/6/2010**

### **One FM DJ Talent Search**

DJ Wannabes took part in One FM DJ Talent Search at Tropicana City Mall with hopes of having their voices heard over the airwaves. One FM is a popular Chinese radio station that was launched in January last year. Nine contestants were selected to compete in the final round and the lucky winner will be part of One FM team.

**26/6/2010**

### **Joey Yap Private Event**

Dijaya invited the owners and prospective buyers of Tropicana Grande to attend a feng shui talk conducted by Joey Yap at Tropicana Grande Sales Gallery. Joey shared the feng shui element of Tropicana Grande with the keen audience. During the Question & Answer session, Joey also provided tips on how to improve the feng shui of each individual, much to the delight of the guests.

## **July**

**17/7/2010 – 18/7/2010**

### **Tropicana Grande at Hong Kong**

As part of a branding and product exposure strategy, Dijaya organised a property showcase in Hong Kong. The positive response from purchasers and investors signalled a growing interest and recognition for Dijaya's high-end properties. This was also a good occasion for the sales personnel of Dijaya to meet and understand the interests of purchasers and investors in Hong Kong.

**17/7/2010**

### **TGCR Night Race**

Members of both Tropicana Golf & Country Resort and Tropicana Residents' Association (TRA) came together to participate in the first "Tropicana Night Race 2010" held at the resort. The buggy track was turned into a racing track for more than 200 men, women and children of various ages to take

part in the 5-km night race. The race had six categories – Junior Boys, Junior Girls, Men Open, Ladies Open, Staff, and Family. It was flagged off by the TRA President, Mohamed Shukri Zain.

**23/7/2010 – 25/7/2010**

### **Special Preview of Pool Villas**

Dijaya unveiled another property gem at Tropicana Indah Resort Homes – Pool Villas. Held at the Tropicana City Mall sales gallery, prospective investors and discerning home buyers, mostly Dijaya Privilege Cardmembers and valued registrants, turned up to view the mock unit. All guests were treated to wine and light refreshments and were impressed with the practical layout and spaciousness of the luxury home.

**31/7/2010 – 1/8/2010**

### **Casa Tropicana Block E Launch**

Dijaya hosted a special preview for the final Block E of Casa Tropicana condominiums at Tropicana Grande sales gallery. Response for Block E was overwhelming with most units booked or sold. Buyers are attracted to Casa Tropicana as it offers generous built-up areas with neo-classical designs.

## **August**

**2/8/2010**

### **Danga Bay Venture**

Dijaya increased its land bank by 37 acres with the acquisition of two parcels of land in Iskandar Malaysia as part of its Danga Bay Integrated Waterfront City project. Dijaya and Iskandar Water Front Sdn Bhd (IWSB) will jointly develop two parcels of prime waterfront land at Danga Bay, Johor Baru, into a mixed development project that carries a gross value of RM3.8 billion over the next 10 years. This project will be the Group's stepping stone into future property development activities in the southern region.

## Highlights 2010

**3/8/2010**

### **The Edge Rat Race®**

The Edge™ – Bursa Malaysia Kuala Lumpur Rat Race® is an annual event for charity which began in year 2000. Since 2004, Dijaya has participated and contributed to this noble cause. The race collected about RM1.685 million from corporate companies and donations were divided among 20 charitable organisations throughout Malaysia.

**11/8/2010 – 9/9/2010**

### **Citarasa 1 Malaysia**

Tropicana Golf & Country Resort hosted the legendary Buka Puasa buffet again. Members and guests were treated to 150 scrumptious dishes in a bazaar setting with five different sets of menu – Malay, Chinese, Indian, Thai and Western. A five-piece Ghazal band performed traditional songs daily to spice up the event. Management and staff also came together and pitched in to help. Tropicana also provided buggy services for its patrons whose cars were parked further away.

**21/8/2010 – 28/8/2010**

### **Raya Joy for Underprivileged Children B**

Tropicana City Mall hosted a Majlis Berbuka Puasa for 50 orphans from Pertubuhan Kebajikan Ehsan Esh Shakur, Rawang. The glee-filled evening saw children relishing in the festive mood and merriment of Raya. The Riang Ria colouring contest held on another day was also a big draw for the children, with Elmo and Cookie Monster making a special appearance.



**24/8/2010**

### **Second Ramp at TCM**

The first ramp worth RM19 million across SPRINT Highway was completed in 2009, connecting motorists into and out of Tropicana City Mall from Jalan Damansara Lama. For added convenience, construction work for the RM10 million second ramp was completed in August 2010, linking motorists from Tropicana City Mall directly to SPRINT Highway, Tropicana Golf & Country Resort and NKVE Highway.

## **September**

**25/9/2010**

### **Mooncake Festival**

Dijaya held a special mooncake celebration at Tropicana Grande sales gallery. The celebration was attended by over 200 specially invited guests and prospective buyers. Guests were given special previews to Tropicana Grande condominiums and treated to a lavish spread amidst a party-like atmosphere dotted with red lanterns. Both adults and children were also seen enjoying the games and taking home specially drawn calligraphy as souvenirs.

## **October**

**2/10/2010**

### **Caring for Children**

Tropicana Golf & Country Resort hosted a Raya charity luncheon themed “Rumah Berbuka Anak-Anak Yatim” for two orphanages and a school in the Klang Valley. Generous contributions totalling RM30,000 were collected to ease the financial burdens of Sekolah Kebangsaan Alam Damai, Rumah Bakti and Rumah Anak Yatim Darul Kifayah. One hundred and fifty orphans aged five to 17 were treated to an entertaining afternoon where fun games were played plus mouth-watering lunch buffet was served at Tropicana Grand Ballroom.

**22/10/2010**

### **17th Annual RMHC Malaysia**

### **-Tropicana Golf & Country Resort Golf Championship**

The Ronald McDonald House Charities™ (RMHC Malaysia) charity golf championship attracted many golf players. Generous proceeds went to the establishment of a Ronald McDonald Sensory Room™ at the Hopehaven Centre for Special Children and Seri Mengasih Centre.



**23/10/2010**

### **MAD Charity Century Ride**

The Make A Difference (MAD) Charity Century Ride, organised by Malakoff Corporation Berhad (Malakoff) and co-sponsored by Tropicana Golf & Country Resort, Algotech Sdn Bhd and Kluang Mall, had successfully raised RM103,700 to benefit five charity homes in Malaysia. One hundred and fifty cyclists flagged off at Tropicana and covered 360 kilometres across Selangor, Negeri Sembilan, Malacca and Johor over two consecutive days.

## **November**

**6/11/2010 – 7/11/2010**

### **Awareness of Aston Villa & 10 Island Resort**

Guests and Dijaya Privilege Cardmembers were invited to attend Aston Villa and 10 Island Resort special preview at Dijaya Sales Gallery, Tropicana City Mall. Both properties are located in Penang and the friendly sales personnel of Dijaya were on hand to advise and provide more information to the keen buyers.

**27/11/2010**

### **Selangor to Acquire Private Land in Jalan Tanjung**

Extracted from The Star – Selangor will proceed to acquire the private land in Jalan Tanjung and upgrade the road from two

to three lanes to enable two-way traffic. Developers of surrounding projects have been roped in to contribute to the road project as well.

**27/11/2010 – 28/11/2010**

### **TCM Charity Carnival**

Hai Yun Production organised a Charity Carnival at Tropicana City Mall to raise funds for the Klang Handicapped Children Centre. Hong Kong artiste Rose Chan was the ambassador who presented the Wing Chun martial arts with students from SRJK Kwong Han. Meanwhile, other local artistes also joined in good spirits with song and dance performances.

## **December**

**13/12/2010**

### **Dijaya Donates RM500,000 to 1MCA Medical Foundation**

Dijaya donated RM500,000 to the 1MCA Medical Foundation which was launched in December 2010. The 1MCA Medical Foundation collected RM10 million, a sum that was reached within two months of fundraising. The foundation – which provides a lifeline for poor people in need of medical treatment – was launched by Prime Minister YAB Datuk Seri Najib Tun Razak. The foundation was set up with the clearest of motives and the funds will be channelled to the most deserving of cases.

**18/12/2010**

### **Dijaya Christmas Party C**

Dijaya's annual Christmas Party at the Tropicana Grande sales gallery included a live entertainment and interesting games for the little ones. There was also a special preview of Dijaya's property by its friendly sales personnel, all of whom were dressed to the theme to lend some Christmas cheer. Guests enjoyed a fabulous buffet and took home door gifts as a memento.

**24/12/2010 & 31/12/2010**

### **TGCR Christmas Eve Party and New Year Eve Countdown Dinner 2010**

Tropicana Golf & Country Resort was abuzz with activities counting down to Christmas as well as the New Year. Santa Claus and his helpful Santarina visited the Palms Coffee House while "Santa James" presented fun games to patrons at Palms as well as Havana KTV. On New Year's Eve, revellers flocked to the Grand Ballroom for Shanghai acrobatic acts, fun games and party music.

**24/12/2010 & 31/12/2010**

### **TCM Christmas Eve Party and New Year Eve Countdown 2010 D**

Following a sweet Christmas celebration of jolly shopping deals, festive musical performances and many captivating Christmas acts, Tropicana City Mall counted down to a dazzling new year with a street party extravaganza. Local celebrities Joanne Kam and Karen Kong were among the many groups of talented performers. A spectacular fireworks display ushered in the year 2011.



## Grandeur at country resort

**S**PORTS fans who have been to the Grandeur at Country Resort in Selangor will be in for a treat as the resort's new 18-hole golf course is set to open in the near future. The resort, which is part of the Tropicana Golf & Country Resort, is a joint venture between Dijsaya Corp Bhd and IWSB (Malaysia) Sdn Bhd. The resort is located in the heart of the Selangor state capital, Kuala Lumpur, and is a prime location for both business and leisure travellers. The resort's new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture. The resort's new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture. The resort's new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture.



The resort's new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture. The resort's new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture. The resort's new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture.

## Dijaya, IWSB in Danga Bay venture

By Shahrum Sayuthi

**PROPERTY** developers Dijaya Corp Bhd and Iskandar Water Front Sdn Bhd (IWSB) will jointly develop two parcels of prime waterfront land at Danga Bay, Johor Baru, into a mixed developments project that carries a gross value of RM3.8 billion over the next 12 years.

**Goldhill Quest Sdn Bhd** — a 60-40 joint-venture between Nagasari Cerdas Sdn Bhd (a wholly-owned subsidiary of Dijaya Corp) and Global Corporate Development Bhd, which is wholly-owned by IWSB — yesterday sealed the deal to purchase the land for the project from Danga Bay Sdn Bhd for RM308 million or RM190 per sq ft.

Johor Menteri Besar Datuk Abdul Ghani Othman witnessed the signing of the sale and purchase agreement for the two parcels of land totalling 14.8ha in Johor Baru.

It is one of the biggest private land deals since the inception of Iskandar Malaysia in 2006, where it is located.



Abdul Ghani (third from left) witnessing the exchange of documents between Tan (left) and Johar. With them are Danga Bay Chairman Datuk Dr Shahrul Nazir and Lim (right).

Dijaya is planning an integrated development in Danga Bay, featuring prestigious commercial, residential and leisure properties. The group is known for its flagship Tropicana Golf and Country Resort development in Petaling Jaya.

Abdul Ghani said the initiation of the project is a milestone in the development of Iskandar Malaysia as it represents the first major interest among local investors in the development corridor.

It is an interesting investment trend as we at Iskandar Malaysia had started with those from the Middle East and Europe and countries such as South Korea. "Now there seems to be a flurry of investment enquiries among the local companies. We are now looking at a potentially good mix of foreign and local investments in Iskandar Malaysia."

Abdul Ghani attributed the growing interest among local investors towards the development corridor to the level of commitment by the government and agencies tasked with making it a success, as well as the availability of the area as the best choice of investment in the region.

## Dijaya rancang lancar projek Tropicana Danga Bay

**D**IJAYA CORPORATION BHD has announced plans to develop a new integrated development in Danga Bay, Johor Baru, featuring a mix of commercial, residential and leisure properties. The project, which is a joint venture between Dijaya Corp Bhd and IWSB (Malaysia) Sdn Bhd, is expected to be completed by 2012. The project is located in the heart of the Iskandar Malaysia development corridor, which is a prime location for both business and leisure travellers. The project's new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture. The project's new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture.

**RM3.8 billion**

## Dijaya to launch two townships in Selangor this year

**D**IJAYA CORPORATION BHD has announced plans to launch two new townships in Selangor this year. The townships, which are part of the Tropicana Golf & Country Resort, are expected to be completed by 2012. The townships are located in the heart of the Selangor state capital, Kuala Lumpur, and are a prime location for both business and leisure travellers. The townships' new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture. The townships' new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture.

## "Citarasa Satu Malaysia" at Tropicana Golf & Country Resort

**F**OR the foodies, the Tropicana Golf & Country Resort has just launched a new dining experience called "Citarasa Satu Malaysia". The dining experience is a celebration of the rich and diverse culinary heritage of Malaysia. The dining experience is a celebration of the rich and diverse culinary heritage of Malaysia. The dining experience is a celebration of the rich and diverse culinary heritage of Malaysia.



## Running in the dark

Maiden night run a hit with residents and club members



## Festive cheer for orphans

Golf club and its corporate clients treat children to luncheon

**T**ROPICANA GOLF & COUNTRY RESORT has organized a festive luncheon for orphans, which was attended by the resort's staff and corporate clients. The luncheon was held at the resort's new 18-hole golf course, which is a masterpiece of design, featuring a mix of traditional and modern architecture. The luncheon was held at the resort's new 18-hole golf course, which is a masterpiece of design, featuring a mix of traditional and modern architecture.



## Dijaya plans RM1.2b high-end projects by year-end

By Sharon Kaur

**PROPERTY** developer Dijaya Corp Bhd aims to launch four new high-end projects by the end of the year, worth a total of RM1.2 billion. The projects are part of the Tropicana Golf & Country Resort, which is a joint venture between Dijaya Corp Bhd and IWSB (Malaysia) Sdn Bhd. The projects are located in the heart of the Iskandar Malaysia development corridor, which is a prime location for both business and leisure travellers. The projects' new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture. The projects' new 18-hole golf course is a masterpiece of design, featuring a mix of traditional and modern architecture.

The first project is a new 18-hole golf course, which is a masterpiece of design, featuring a mix of traditional and modern architecture. The first project is a new 18-hole golf course, which is a masterpiece of design, featuring a mix of traditional and modern architecture. The first project is a new 18-hole golf course, which is a masterpiece of design, featuring a mix of traditional and modern architecture.



# DIJAYA in the News



## Corporate Governance

- 64 Statement on Corporate Governance
- 70 Additional Disclosure
- 71 Statement on Internal Control
- 73 Risk Management Statement
- 74 Audit Committee Report



A young boy with dark hair, wearing a white t-shirt with colorful floral patterns, is smiling and watering a potted plant with a white spray bottle. The background is a lush, green garden with various plants and trees. The text is overlaid on the right side of the image.

Because Dijaya's activities and projects take place in the context of our natural **environment**, we are aware of the need to minimise harm to the environment and aim to cultivate a society that cares for the natural environment

# Statement on Corporate Governance

The Board of Directors ("Board") of Dijaya Corporation Berhad ("Dijaya" or "Company") is committed to maintaining a high standards of corporate governance by adopting and applying the Malaysian Code on Corporate Governance (Revised 2007) ("Code") throughout the Company and its group of companies ("Group") to protect and enhance shareholders' value as well as to support the Group's continued growth and success.

This statement sets out the manner in which the Group has applied the principles of good governance and the extent of compliance by the Group with the best practices recommended by the Code throughout the financial year ended 31 December 2010.

## **Board of Directors**

### **Composition and Size of Board**

The Board at the date of this statement consists of eleven (11) members, comprising six (6) Independent Non-Executive Directors and five (5) Non-Independent Executive Directors. The Board composition complied with Paragraph 15.02 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") whereby at least one-third of the Board must be of independent Directors.

### **Board Balance and Board Effectiveness**

The Board comprises members from diverse professional backgrounds which provides the Group with a wealth of expertise and experience to draw on which includes, legal, financial, banking, technical and public administration for effective management of the businesses and continued successful direction of the Group. The profiles of the Directors are set out on pages 38 to 43 of this Annual Report.

The Board is responsible for the review and adoption of the Group's long term strategic plan and direction, overseeing the conduct of the Group's businesses and utilisation of resources, monitoring the achievement of business objective and financial performance, reviewing the adequacy and the integrity of internal controls and risks management systems and ensuring the effective implementation of these systems.

There is a clear division of responsibility in the Company. The Chairman represents the Board to shareholders and is responsible for the effective running of the Board. The Group Chief Executive Officer, assisted by the Managing Director, the Deputy Managing Director and the Executive Directors, are fully responsible for the effective running of the Group's operations and business activities and implementation of the Board's policies and decisions. The presence of experienced independent non-executive Directors who comprised a majority of the Board, ensures that there is a proper check and balance in the Board, and to provide unbiased and independent views, advice and judgement, besides playing key supporting roles. It is mandatory for all members of the Board to declare their interests in any transactions undertaken by the Group. In such instance, the interested Director(s) shall abstain from the decision-making process.

### **Board Meetings**

The Board meets at least once every quarter on a scheduled basis and additional meetings will be convened as and when required. The quarterly Board meetings are scheduled in advance prior to the start of the financial year to allow the Directors to plan their appointments ahead and as such to facilitate full attendance at Board meetings. All proceedings, deliberations and conclusions of the Board Meetings are duly minuted and signed by the Chairman of the meeting.

## Statement on Corporate Governance

For the financial year ended 31 December 2010, a total of four Board meetings were held. Record of each of the Board members' attendance is set out below:-

| Name of Directors                                                           | Attendance | % of Attendance |
|-----------------------------------------------------------------------------|------------|-----------------|
| Datuk Rohana Binti Tan Sri Mahmood                                          | 4/4        | 100             |
| Tan Sri Dato' Tan Chee Sing                                                 | 4/4        | 100             |
| Dato' Tong Kien Onn                                                         | 4/4        | 100             |
| Dickson Tan Yong Loong                                                      | 3/4        | 75              |
| Roslan Bin Hj Yahya                                                         | 4/4        | 100             |
| Loh Chen Peng                                                               | 4/4        | 100             |
| Michael Tang Vee Mun                                                        | 4/4        | 100             |
| Datuk Seri Panglima Mohd Annuar Bin Zaini<br>(appointed on 27 January 2010) | 4/4        | 100             |
| Tan Seng Chye<br>(appointed on 1 January 2011)                              | N/A        | N/A             |
| Kong Woon Jun<br>(appointed on 1 March 2011)                                | N/A        | N/A             |
| Dato' Ng Tian Sang @ Ng Kek Chuan<br>(appointed on 29 March 2011)           | N/A        | N/A             |
| Quek Cham Hong<br>(resigned on 31 December 2010)                            | 4/4        | 100             |
| Michael Lim Hee Kiang<br>(resigned on 27 January 2010)                      | N/A        | N/A             |
| Tan Sri Dato' Seri Mohd Sedek Bin Mohd Ali<br>(demised on 22 January 2010)  | N/A        | N/A             |

All the Directors have complied with the minimum 50% attendance requirement in respect of Board meeting as stipulated in the Listing Requirements of Bursa Securities. In the intervals between Board meetings, for any matters requiring Board's decisions, the Board's approvals are obtained through circular resolutions. The resolutions passed by way of such circular resolutions were then ratified in the next Board meeting.

### Supply of Information

The Directors have full and unrestricted access to all information pertaining to the Group's business and affairs to enable them to discharge their duties. All Directors are provided with reports and other relevant information on timely manner, covering various aspects of the Group's operations and performance. They are also provided with an agenda and a set of board papers pertaining to agenda items

prior to Board meetings to allow sufficient time for the Directors to review, consider and deliberate on the issues and, where necessary, to obtain further information and explanations to facilitate informed decision making.

The Management is responsible for providing the Board with all information that may assist the Board in discharging its responsibilities and to facilitate informed decision making. The Company Secretary attends all Board meetings and ensures that accurate and adequate records of the proceedings of the Board meetings and decisions made are properly recorded. Senior Management of the Group, external auditors and advisors are also invited to attend Board meetings on specific items on the agenda which require clarification. The Board will also be briefed on latest updates on the Group's business activities.

## Statement on Corporate Governance

All Directors have access to the advice and services of the Company Secretary and Senior Management and may seek independent professional advice, at the Company's expense, if required, in furtherance of their duties.

### Appointment and Re-election to the Board

In accordance with the Company's Articles of Association ("Articles"), all Directors who are appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors are subject to re-election by shareholders at the Annual General Meeting ("AGM") following their appointment. The Articles also provide that at least one-third of the remaining directors be subject to re-election by rotation at each AGM including the Group Chief Executive Officer, the Managing Director, the Deputy Managing Director and the Executive Directors provided always that all the Directors shall retire from their office at least once every three years. All retiring Directors are eligible to offer themselves for re-election at the AGM. Directors over 70 years of age are required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

The Board continuously reviews its size and composition with particular consideration on its impact on the effective functioning of the Board.

Any proposed candidate for the appointment as director of the Board will be nominated by the Nomination Committee to the Board for full deliberation.

### Directors' Training

All the Directors have attended the Mandatory Accreditation Programme prescribed by Bursa Securities. The Directors are encouraged to attend continuing education programmes and seminars to keep abreast with current developments in the market place and with new statutory and regulatory requirements. They are provided with updates from time to time on relevant new laws and regulations affecting their directorships and relevant compliances.

During the financial year ended 31 December 2010, the training programmes and seminars attended by the Directors are as follows:-

| Name of Director                          | Title of Seminar/Workshops/Courses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dickson Tan Yong Loong                    | <ul style="list-style-type: none"><li>- Fireside chat with Dato' Paduka Timothy Ong, Chairman of Brunei Economic Development Board</li><li>- ASEAN 100 Leadership Forum 2010</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Roslan Bin Hj Yahya                       | <ul style="list-style-type: none"><li>- Minority shareholders' rights &amp; oppression and remedies</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Loh Chen Peng                             | <ul style="list-style-type: none"><li>- Audit Committee Institute Roundtable discussion titled: Going Forward: Risk and Reform – Implications for Audit Committee Oversight</li><li>- Key to high performance retailing</li><li>- Seminar on Recent Changes to Financial Reporting Standards (FRS) by Ernst &amp; Young</li><li>- Corporate Governance Guide for Directors</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                    |
| Datuk Seri Panglima Mohd Annuar Bin Zaini | <ul style="list-style-type: none"><li>- Colloquium by Prof. Nabil El-Hage</li><li>- Oxford Centre of Islamic Studies Forum</li><li>- Asia-Pacific Advancement Conference</li><li>- Malaysia International Islamic Financial Centre Workshop in United Arab Emirates &amp; Kingdom of Saudi Arabia</li><li>- Minda Luncheon Talk</li><li>- Malaysia-UK Partnership Dialogue – "The future of Malaysia-UK Relations: Partnering for Mutual Growth"</li><li>- "Extraordinary Leaders: Leading Leaders" Conference</li><li>- Brand Entrepreneur Conference 2010</li><li>- Inaugural Oxford Global Islamic Branding &amp; Marketing Forum 2010</li><li>- Conference on Migration in Asia Titled "The Inaugural Metropolis Asia Conference"</li><li>- UEM Directors' Gathering 2010</li></ul> |

### Board Committees

The Board has delegated specific responsibilities to several committees, namely the Audit Committee, Nomination Committee, Remuneration Committee, Option Committee and Investment Committee. These Committees operate within their respective defined terms of reference approved and specific authority delegated by the Board. The Chairman of the respective committees will report to the Board the outcome of each of the committee meeting and are incorporated in the minutes of the Board Meeting. The Board, however, retains full responsibility for the final decision on all matters.

#### (i) Audit Committee

The Audit Committee consists of three (3) Independent Non-Executive Directors, one of whom is a qualified Accountant with more than 20 years of experience in the finance and accounting fields.

The Audit Committee assists and supports the Board in fulfilling its fiduciary responsibilities relating to the Group's financial reporting practices, accounting policies, internal controls, business ethics policies and the independence of the Group's external and internal auditors. The Audit Committee Report is set out in pages 74 to 76 of this Annual Report.

#### (ii) Nomination Committee

The Nomination Committee has been given the responsibility to recommend new appointments to the Board of Dijaya. The Nomination Committee also reviews the effectiveness of the existing Board, the committees of the Board and the contribution

of each Director. The Nomination Committee as at the date of this statement comprises two (2) members, all being Independent Non-Executive Directors namely Roslan Bin Hj Yahya (Chairman) and Loh Chen Peng.

The recommendations of the Nomination Committee are subject to the approval of the Board.

#### (iii) Remuneration Committee

The Remuneration Committee is comprised entirely of Independent Non-Executive Directors and as at the date of this statement they are Loh Chen Peng (Chairman) and Roslan Bin Hj Yahya.

The Remuneration Committee assists the Board in its responsibilities of assessing the remuneration packages of the Directors.

The policy practised on Directors' remuneration by the Remuneration Committee is that the level of remuneration should be sufficient to attract, motivate and retain directors of the quality required to effectively manage the businesses of the Group. As for non-executive Directors, the fees reflect the experience and level of responsibilities undertaken by the non-executive directors concerned. All directors had abstained from discussion and decision on their own remuneration.

The details of the remuneration of Directors for the year ended 31 December 2010 are as follows:-

| Category                | Fees<br>(RM)   | Salaries<br>allowances<br>and other<br>emoluments<br>(RM) | Bonus<br>(RM)    | Share Options<br>granted under<br>ESOS<br>(RM) | Total<br>(RM)    |
|-------------------------|----------------|-----------------------------------------------------------|------------------|------------------------------------------------|------------------|
| Executive Directors     | –              | 4,403,515                                                 | 1,273,050        | 357,755                                        | 6,034,320        |
| Non-Executive Directors | 255,618        | 124,900                                                   | –                | –                                              | 380,518          |
| <b>Total</b>            | <b>255,618</b> | <b>4,528,415</b>                                          | <b>1,273,050</b> | <b>357,755</b>                                 | <b>6,414,838</b> |

## Statement on Corporate Governance

The aggregate remuneration of Directors analysed into appropriate band of RM50,000 are as follows:-

| Range of Remuneration     | No. of Directors    |                         |
|---------------------------|---------------------|-------------------------|
|                           | Executive Directors | Non-Executive Directors |
| Below RM50,000            | –                   | *5                      |
| RM50,001 – RM100,000      | –                   | 2                       |
| RM150,001 – RM200,000     | –                   | 1                       |
| RM400,001 – RM450,000     | 1                   | –                       |
| RM550,001 – RM600,000     | 1                   | –                       |
| RM750,001 – RM800,000     | 1                   | –                       |
| RM3,850,001 – RM3,900,000 | 1                   | –                       |

\* including a Director who has demised during the financial year

### (iv) Option Committee

The Option Committee, established to administer the Company's Employee Share Option Scheme ("ESOS Scheme"), as at the date of the statement comprises the following members: -

- Dato' Tong Kien Onn (Chairman)
- Dickson Tan Yong Loong
- Tan Seng Chye
- Kong Woon Jun
- Tan Kar Eng

The primary responsibility of the Option Committee is to administer the ESOS Scheme in accordance with the objective and regulation thereof as set out in the ESOS Bye-Laws and in such manner as it shall deem fit and with such powers and duties as are conferred upon it by the Board.

### (v) Investment Committee

The Investment Committee ("IC") was established by the Board on 19 May 2010 in order to assist the Board in its oversight of the Group's investment decisions, in particular on reviewing of the groups' overseas' investments and investments in non-core business.

As at the date of the statement, the IC comprises the following members:-

- Loh Chen Peng (Chairman)
- Michael Tang Vee Mun
- Dato' Seri Panglima Mohd Annuar Bin Zaini
- Dickson Tan Yong Loong

## Shareholders

### Communications with Shareholders and Relationship with Investors

The Group recognises and practices transparency and accountability to its shareholders and investors. As such, the Group ensures timely dissemination of information through appropriate channels of communications to shareholders and investors to ensure that they are properly informed of major developments of the Group. Such information is also communicated to them through the Annual Report and the various disclosures and announcements made to Bursa Securities from time to time, including the Quarterly and Annual Results. The Company obliges the request of analysts and fund managers for briefings from time to time.

The Group's website at [www.DIJAYA.com.my](http://www.DIJAYA.com.my) also provides an avenue for shareholders and members of the public to access information pertaining to the Group which is being updated regularly.

### **Annual General Meeting**

The Company's Annual General Meeting is the principal forum for dialogue and interaction with its shareholders at which the shareholders are informed and updated on current developments of the Group. The Board presents an overview of the performance of businesses in the Group and encourages shareholders to participate in the question and answer sessions. The Board members, senior management and the Group's external auditors are available to respond to shareholders' questions during the meeting.

The outcome of all resolutions proposed at the general meeting is announced to Bursa Securities at the end of the meeting day.

### **Accountability and Audit**

#### **Financial Reporting**

The Board is responsible for ensuring that all financial statements of the Company and the Group are drawn up in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965. The Board is committed to providing a clear, balanced and comprehensive meaningful assessment of the Group's financial performance and prospects, primarily through the annual financial statements and quarterly announcements of results to shareholders as well as the Chairman's Statement, Group CEO's Message and Managing Director's Review in the annual report.

#### **Internal Control**

The Board has overall responsibility for maintaining a sound system of internal controls which includes financial controls, operational and compliance controls and risk management to safeguard shareholders' interest and the Company's assets. The Group's system of internal control is regularly reviewed to ensure its effectiveness. While acknowledging its responsibility for the system of internal control, the Board is aware that such a system cannot totally eliminate risks and thus can never be an absolute assurance against the Group failing to achieve its objectives. The Group's Statement on Internal Control for the financial year ended 31 December 2010 is set out on page 71 and 72 of the Annual Report.

#### **Relationship with External Auditors**

The Board, through the Audit Committee, has always maintained a formal and transparent relationship with the external auditors. The Audit Committee meets up with the external auditors to discuss the annual audited financial statements and their audit findings.

The report by the Audit Committee for the financial year ended 31 December 2010 is set out on pages 74 to 76 of this Annual Report.

#### **Compliance with the Code**

The Board has complied with the best practices set in accordance with the Code during the financial year under review.

This Statement has been reviewed and approved by the Board of Directors.

# Additional Disclosure

AS AT 31 DECEMBER 2010

## **Share Buybacks**

During the financial year ended 31 December 2010, the Company did not enter into any share buyback transactions.

## **Options, Warrants or Convertible Securities**

The amount of share options issued by the Company and exercised by eligible employees during the financial year under review is disclosed in the Directors' Report and Note 31 to the Financial Statements for the year ended 31 December 2010.

## **Depository Receipt Programme**

The Company did not sponsor Depository Receipt Programme during the financial year ended 31 December 2010.

## **Imposition of Sanctions and Penalties**

No sanctions or penalties were imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year ended 31 December 2010.

## **Non-Audit Fees**

The amount of non-audit fees incurred for services rendered to the Group for the financial year ended 31 December 2010 by the Company's external auditors, Messrs Ernst & Young or their affiliates was RM206,990.

## **Profit Estimate, Forecast or Projection**

There was no material variation between the Group's unaudited results announced earlier and the audited results for the financial year ended 31 December 2010.

## **Profit Guarantee**

The Company did not provide any profit guarantee during the financial year.

## **Material Contracts**

There were no material contracts entered into by the Company or its subsidiaries that involved directors' or major shareholders' interest.

## **Revaluation Policy**

The Company and the Group did not revalue its land and buildings, save for recognition of impairment losses as required by the relevant accounting standards.

## **Utilisation of Proceeds**

There was no proceeds raised from any corporate exercise during the financial year.

# Statement on Internal Control

## Introduction

Dijaya Corporation Berhad and its subsidiaries' ("the Group") system of internal control is designed to improve the Group's operations.

The Board of Directors ("the Board") is committed to maintaining a sound system of internal control to safeguard the Group's assets and shareholders' interests. The Board is pleased to provide the following Statement on Internal Control which outlines the nature and scope of internal control of the Group during the financial year ended 31 December 2010 pursuant to Paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad.

## Responsibility

The Board affirms its overall responsibility for maintaining a sound system of internal control that covers all aspects of the Group's business including strategic, commercial, operational and financial areas. In recognition of that responsibility, the Board sets policies and seeks regular assurance that the system of internal control is operating effectively. While acknowledging their responsibility for the system of internal control, the directors are aware that a sound system of internal control can only help to mitigate and manage rather than totally eliminate the risk of failure to achieve business objectives. Accordingly, such a system can only provide reasonable assurance against material misstatements, losses, fraud or breaches of law or regulations. However, the extent of responsibility for internal control does not extend to include that of the Group's associated companies for the purpose of this review.

## Principal Features and Key Processes of the Group's System of Internal Control

The principal features of the Group's system of internal control can be summarised as follows:-

- **Authorisation Procedures**

The Group has a clearly-defined authorisation procedure and a clear line of accountability, with strict authorisation, approval and control procedures which provide a sound framework of authority and accountability within the organisation and which facilitate proper corporate decision-making at the appropriate level in the organisation's hierarchy. Responsibility levels are communicated throughout the Group which set out, amongst others, authorisation levels, segregation of duties and other control procedures.

- **Authority Levels**

The Group has designated authority levels for major project tenders, capital expenditures, assets and other significant transactions. Such limits are subject to periodic reviews as to their implementation and continuing suitability.

- **Staffing Policies**

Guiding policies and procedures on hiring and retention of staff have been established at Group level with individual business units having the flexibility to adapt these policies for their specific needs. High recruitment standards which identify talented individuals who possess qualities that fit the Group's culture of excellence ensure the integrity and competence of staff. Successful recruits are guided on where and how they can contribute productively.

Employees' knowledge, skills and abilities are being continually enhanced to enable them to operate and monitor the systems of internal control effectively.

## Statement on Internal Control

- **Financial Performance**

Quarterly, interim and full year results and analyses of the Group's state of affairs are disclosed to the shareholders after review and approval by the Board.

A computerised financial reporting system captures all financial transactions that are then collated into regular management financial statements. The Group's management team communicates regularly to monitor the financial performance of business units.

- **Internal Compliance**

The Group monitors compliance with its internal controls through management reviews and internal audit reports that are reviewed by key personnel. Regular updates of internal policies and procedures are undertaken to reflect changing risks or resolve operating deficiencies. Internal audit visits are systematically arranged over specific periods to monitor and scrutinize compliance with procedures and assess the integrity of financial information provided.

The key processes that the Board has established to review the adequacy and integrity of the system of internal control are as follows:-

- **Internal Audit Function**

The Group's internal audit function undertakes reviews of internal control in all key activities of the Group. The internal auditors will monitor and report on the financial and operational controls implemented by the management and report to the Audit Committee, which in turn will review the effectiveness of the system of internal control in operation and report their conclusions to the Board. The internal auditors advise management on areas for improvement and subsequently review the extent to which its recommendations have been implemented.

During the financial year under review, the internal auditors conducted various audit assignments covering operational and compliance controls. The system of internal control will continue to be reviewed, enhanced or updated in line with changes in the operating environment. The Board will seek regular assurance on the continuity and effectiveness of the internal control system through independent appraisals by the internal auditors. The Board is of the opinion that the current system of internal control in place throughout the Group is sufficient to safeguard the Group's interests.

- **Senior Management Meetings**

The Group conducts regular meetings of senior management which comprises the Group Chief Executive Officer, the Managing Director, Executive Directors and all divisional heads. The purpose of these meetings is to share information, monitor the progress of various business units, and to deliberate and decide upon operational matters. The meetings help to remove barriers of bureaucracy and assist in ensuring more direct and effective implementation of all major and important decisions.

- **Reality Assessments**

The Managing Director and Executive Directors carry out reality assessments by visiting the operating units and communicating with various levels of staff to gauge the effectiveness of strategies implemented.

### Conclusion

The Board is satisfied that, during the financial year under review, the system of internal control being instituted throughout the Group is sound and effective. Notwithstanding this, reviews of all the control procedures will be continuously carried out to ensure the ongoing effectiveness and adequacy of the systems of internal control, so as to safeguard the Group's assets and shareholders' investments.

# Risk Management Statement

In dealing with its stewardship responsibilities, the Board of Directors recognizes that an effective risk management framework is an integral part of good business management practice and is essential in managing the diverse risks faced by the Group. The Board is committed to ensuring that the Group has an effective and proactive risk management framework which allows the management to manage the risk within defined parameters and standards.

The Group's risk management framework has the following objectives:

- Protecting its assets and reputation
- Preserving the health and safety of its employees
- Minimising any negative impact on the environment
- Protecting the interests of its stakeholders
- Adhering to the Malaysian Code on Corporate Governance and all other applicable laws; and
- Promoting an effective risk awareness culture where risk management is an integral aspect of the Group's management systems

Risks are managed at all levels of the organization. All departments have primary responsibility and accountability for the proactive identification, ownership and management of risks in their day-to-day operations. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources including control breakdowns, disruption in information systems, competition, products and services, suppliers, human capital, natural catastrophes and regulatory, legal and corporate governance requirements.

Management reports regularly on their review and management of risks to the Board and the Audit Committee, whose main role is to assess, on behalf of the Board, the key risks inherent in the business and the system of controls necessary to manage such risks and to present their findings to the Board. The Managing Director also reports to the Board on significant changes in the business and the external environment which may result in significant risks. The Group has also set up an Investment Committee whose Chairman reports to the Board. The Investment Committee's main duties are to review and deliberate on issues and policies relating to significant transactions and investment related matters and to make the necessary recommendations to the Board in relation thereto and also to consider and advise on whether there is any significant risk to the Group as a result of a proposed investment decision.

The Board will pursue its ongoing process of identifying, assessing and managing key business, operational and financial risks faced by the business units as well as regularly reviewing planned strategies to determine whether risks are mitigated and well-managed.

# Audit Committee Report

## A. Members of the Audit Committee

Roslan Bin Hj Yahya  
(Chairman and Independent Non-Executive Director)

Loh Chen Peng  
(Independent Non-Executive Director)  
(A Certified Public Accountant of the Malaysian  
Institute of Certified Public Accountants)

Datuk Seri Panglima Mohd Annuar Bin Zaini  
(Independent Non-Executive Director)  
(Appointed on 27 January 2010)

Michael Lim Hee Kiang  
(Independent Non-Executive Director)  
(Resigned on 27 January 2010)

## B. Terms of Reference of Audit Committee

### Composition

1. The Audit Committee shall be appointed by the Board amongst the Directors and shall consist of no fewer than three (3) members.
2. All the Audit Committee members must be Non-Executive Directors, with majority of them being Independent Directors.
3. At least one (1) member of the Audit Committee must be a member of the Malaysian Institute of Accountants ("MIA") or fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").
4. No alternate director shall be appointed as a member of the Audit Committee.
5. In the event of any vacancy in the Audit Committee resulting in the non-compliance of the Listing Requirements ("LR") of Bursa Securities, the Board shall fill the vacancy within three (3) months.

### Authority

1. The Audit Committee is authorised to investigate any matter within its terms of reference and to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Audit Committee.
2. The Audit Committee shall have the resources which are required to perform its duties and shall have full and unrestricted access to any information pertaining to the Company or the Group.
3. The Audit Committee is authorised to obtain external legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if necessary.
4. The Audit Committee shall have direct communication channels with both the internal and external auditors and is able to convene meetings with the internal and external auditors, excluding the attendance of the management, whenever deemed necessary.

### Duties

The duties of the Audit Committee shall be:-

1. To review the following and report the same to the Board:-
  - a) with the external auditor, the audit plan;
  - b) with the external auditor, his evaluation of the system of internal controls;
  - c) with the external auditor, the audit reports, the external auditors' management letter and management's response;
  - d) the assistance given by the Company's employees to the external auditor;
  - e) the quarterly results and year end financial statements, prior to the approval by the Board, focusing particularly on:-
    - i) changes in accounting policies and practices;
    - ii) significant adjustments arising from the audit;
    - iii) compliance with accounting standards and other statutory and legal requirements;
    - iv) the going concern assumption; and
    - v) any major judgmental areas;
  - f) any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
2. To review any matters concerning the appointment and re-appointment, audit fee and any questions of resignation or dismissal of external auditors as well as on the external auditors' independence, objective and effectiveness, taking into consideration their relevant professional and regulatory requirements.

3. To prepare the Audit Committee Report at the end of each financial year.
4. To discuss all other problems and reservations arising from the interim and final external audits and any matters the external auditors may wish to discuss in the absence of management and/or executive board members where necessary.
5. To promptly report to Bursa Securities where the Audit Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the LR of Bursa Securities.
6. To do the following in relation to the internal audit function:-
  - a) review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
  - b) review 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;
  - c) review any appraisal or assessment of the performance of members of the internal audit function;
  - d) approve any appointment or termination of senior staff members of the internal audit function; and
  - e) take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.
7. To consider the major findings of internal investigations and management's response; and
8. To consider other related matters as defined by the Board.

## Chairman

1. The Chairman of the Audit Committee shall be an Independent Director appointed by the Board.
2. The Chairman of the Audit Committee shall engage on a continuous basis with the senior management, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Company.

## Meetings

1. The Audit Committee shall meet at least four (4) times a year and other directors and employees of the Group shall normally attend the meetings at the invitation of the Audit Committee. The details of attendance of the Audit Committee members are as follows:-

|                                                                             | Number of meetings attended |
|-----------------------------------------------------------------------------|-----------------------------|
| Roslan Bin Hj Yahya                                                         | 4/4                         |
| Loh Chen Peng                                                               | 4/4                         |
| Datuk Seri Panglima Mohd Annuar Bin Zaini<br>(Appointed on 27 January 2010) | 4/4                         |
| Michael Lim Hee Kiang<br>(Resigned on 27 January 2010)                      | N/A                         |

2. The quorum of the meeting shall be at least two (2) members where a majority of members present must be Independent Directors.
3. A resolution in writing signed or approved by letter, telex, facsimile, telegram or other written electronic communications by a majority of the members of the Audit Committee, and who are sufficient to form a quorum shall be as valid and effectual as if it had been passed at a meeting of the Audit Committee duly called and constituted. All such resolutions shall be described as "Audit Committee's Circular Resolutions" and may consist of several documents in the like form each signed by one or more of the members of the Audit Committee and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by her in the Company's minute book following the receipt thereof by her.
4. The Audit Committee shall meet with the external auditors, the internal auditors or both, without the other directors and employees of the Company or Group at least twice a year and whenever deemed necessary.

## Audit Committee Report

### Secretary

1. The Company Secretary shall be the Secretary of the Audit Committee and shall be responsible for drawing up the agenda and circulating it, supported by explanatory documentation to the Audit Committee members prior to each meeting.
2. The Secretary shall be responsible for keeping the minutes of meetings of the Audit Committee and circulating them to the Audit Committee and to the other members of the Board.

### C. Meetings

The Committee had four (4) meetings during the financial year. The Managing Director, Executive Directors and members of Senior Management attended these meetings upon invitation by the Chairman of the Audit Committee. The Group's internal auditors attended all the Audit Committee meetings whereas the external auditors attended two (2) of the Audit Committee meetings during the financial year.

### D. Summary of Activities During the Financial Year

During the financial year, the Audit Committee carried out its duties in accordance with its terms of reference.

In performing its functions, the Audit Committee reviewed the overall scope of internal audits. It met with the Group's internal auditors to review their audit reports and to discuss their findings and the management's responses thereto. It also reviewed the internal auditors' evaluation of the system of internal control of the Company and its subsidiary companies.

In addition, the Audit Committee discussed with the external auditors the audit plan which states the nature and scope of audits and the audit findings arising from their review. The Audit Committee also reviewed the unaudited quarterly financial statements of the Company and the audited consolidated annual financial statements together with the relevant financial announcements to Bursa Securities prior to the approval by the Board.

Other main issues discussed and noted by the Audit Committee were as follows: -

- (a) related party transactions entered into by the Group; and
- (b) verified the allocation of Employees' Share Option Scheme ("ESOS") options which was in compliance with the criteria set pursuant to the ESOS bye-laws.

### E. Internal Audit Function

The Audit Committee is supported by an independent and adequately resourced Internal Audit Department in the discharge of its duties and responsibilities.

During the financial year, the internal audit activities have been carried out according to the internal audit plan which had been approved by the Audit Committee. The scope of the internal audit covered the audits of all units and operations, including subsidiaries to provide the Audit Committee with assurance that the system of internal control of the Group achieved the following:-

- a) The business was planned and conducted in an orderly, prudent and cost effective manner;
- b) Transactions and commitments were entered into in accordance with Management's authority;
- c) The Management was able to safeguard the assets and control the liabilities of the Group, i.e., there were measures to minimise and detect any loss from irregularities, frauds and errors; and
- d) The accounting and other records of the business provided complete, accurate and timely information.

Eight (8) audit reports were issued during the financial year incorporating findings and recommendations with regard to system and control, weaknesses noted in the course of audit, the management's responses and the remedial actions on the implementation of all findings and recommendations in its review process.

In the course of auditing, the Internal Auditors have identified some internal control weaknesses, which have been or are being addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Company's Annual Report.

The internal audit function of the Group is performed in-house. The costs incurred for the internal audit function in respect of the financial year ended 31 December 2010 was RM225,842.45.

### F. Granting of Options Pursuant to Employees' Share Option Scheme

During the year under review, the Company has granted 1,074,542 options pursuant to the ESOS.

|           |                                           |
|-----------|-------------------------------------------|
| <b>78</b> | Directors' Report                         |
| <b>84</b> | Statement by Directors                    |
| <b>84</b> | Statutory Declaration                     |
| <b>85</b> | Independent Auditors' Report              |
| <b>87</b> | Statement of Comprehensive Income         |
| <b>88</b> | Statement of Financial Position - Group   |
| <b>90</b> | Statement of Financial Position - Company |
| <b>91</b> | Statement of Changes in Equity - Group    |
| <b>93</b> | Statement of Changes in Equity - Company  |
| <b>94</b> | Statement of Cash Flow                    |
| <b>97</b> | Notes to the Financial Statements         |

# Financial Statements



# Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2010.

## Principal Activities

The principal activities of the Company are that of investment holding and provision of management services.

The principal activities of the subsidiaries and associates are described in Notes 18 and 19 to the financial statements respectively.

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

## Results

|                                | Group<br>RM'000 | Company<br>RM'000 |
|--------------------------------|-----------------|-------------------|
| Profit/(loss) net of tax       | 47,669          | (15,015)          |
| Profit/(loss) attributable to: |                 |                   |
| Owners of the parent           | 43,252          | (15,015)          |
| Minority interests             | 4,417           | –                 |
|                                | 47,669          | (15,015)          |

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the effect arising from the changes in accounting policies due to the adoption of FRS 139 Financial Instruments: *Recognition and Measurement* which has resulted in an increase in the Group's profit net of tax by RM4,432,000 and decrease in the Company's loss net of tax by RM12,786,000 as disclosed in Note 2.2 to the financial statements.

## Dividends

The amount of dividends paid by the Company since 31 December 2009 were as follows:

|                                                                                                                                                 | RM '000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| In respect of the financial year ended 31 December 2009 as reported in the directors' report of that year:                                      |         |
| First and final dividend of 3 sen per share less 25% taxation, on 455,000,000 ordinary shares, declared on 27 May 2010 and paid on 23 July 2010 | 10,237  |

### Dividends (Cont'd.)

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 31 December 2010, of 5 sen per share less 25% taxation on 455,000,000 ordinary shares, amounting to a dividend payable of RM17,062,500 (3.75 sen per ordinary share) (subject to change on the number of ordinary shares entitled to dividend on date of book closure) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2011.

### Directors

The directors of the Company in office since the date of the last report and at the date of this report are:

Datuk Rohana Binti Tan Sri Mahmood

Tan Sri Dato' Tan Chee Sing

Dato' Tong Kien Onn

Dickson Tan Yong Loong

Roslan Bin Hj. Yahya

Loh Chen Peng

Tang Vee Mun

Datuk Seri Panglima Mohd Annuar Bin Zaini

Tan Seng Chye

(appointed on 1 January 2011)

Kong Woon Jun

(appointed on 1 March 2011)

Dato' Ng Tian Sang @ Ng Kek Chuan

(appointed on 29 March 2011)

Quek Cham Hong

(resigned on 31 December 2010)

### Directors' Benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under the Employee Share Options Scheme ("ESOS").

The salient features and other terms of the ESOS are disclosed in Note 31 to the financial statements.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 11 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 40 to the financial statements.

## Directors' Report

### Directors' Interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares, warrants and options over shares in the Company and its related corporations during the financial year were as follows:

| Dijaya Corporation Berhad             |                         |          |          |                           |
|---------------------------------------|-------------------------|----------|----------|---------------------------|
| Number of ordinary shares of RM1 each |                         |          |          |                           |
|                                       | At<br>1 January<br>2010 | Acquired | Disposal | At<br>31 December<br>2010 |
| <b>Direct interest</b>                |                         |          |          |                           |
| Tan Sri Dato' Tan Chee Sing           | 139,388,704             | *655,230 | —        | <b>140,043,934</b>        |
| Dato' Tong Kien Onn                   | 35,000                  | —        | —        | <b>35,000</b>             |
| Loh Chen Peng                         | 210,000                 | —        | —        | <b>210,000</b>            |
| <b>Indirect interest</b>              |                         |          |          |                           |
| Tan Sri Dato' Tan Chee Sing           | 165,840,769             | —        | —        | <b>165,840,769</b>        |
| Dato' Tong Kien Onn                   | 89,250                  | —        | —        | <b>89,250</b>             |

\* Exercise of option under the Company's Employee's Share Options Scheme.

| Dijaya Corporation Berhad    |                         |         |              |                           |
|------------------------------|-------------------------|---------|--------------|---------------------------|
| Number of warrants 2009/2019 |                         |         |              |                           |
|                              | At<br>1 January<br>2010 | Granted | Disposal     | At<br>31 December<br>2010 |
| <b>Direct interest</b>       |                         |         |              |                           |
| Tan Sri Dato' Tan Chee Sing  | 39,825,554              | —       | —            | <b>39,825,554</b>         |
| Dato' Tong Kien Onn          | 10,000                  | —       | (10,000)     | —                         |
| Loh Chen Peng                | 60,000                  | —       | —            | <b>60,000</b>             |
| <b>Indirect interest</b>     |                         |         |              |                           |
| Tan Sri Dato' Tan Chee Sing  | 47,383,077              | —       | (27,350,000) | <b>20,033,077</b>         |
| Dato' Tong Kien Onn          | 25,500                  | —       | (25,500)     | —                         |

**Directors' Interests (Cont'd.)**

|                             | Dijaya Corporation Berhad                          |         |                           |
|-----------------------------|----------------------------------------------------|---------|---------------------------|
|                             | Number of options over ordinary shares of RM1 each |         |                           |
|                             | At<br>1 January<br>2010                            | Granted | At<br>31 December<br>2010 |
| Tan Sri Dato' Tan Chee Sing | 690,000                                            | 94,018  | (655,230)                 |
| Dato' Tong Kien Onn         | 575,000                                            | 78,349  | –                         |
| Dickson Tan Yong Loong      | 275,000                                            | 37,471  | –                         |
|                             |                                                    |         | <b>128,788</b>            |
|                             |                                                    |         | <b>653,349</b>            |
|                             |                                                    |         | <b>312,471</b>            |

Tan Sri Dato' Tan Chee Sing, by virtue of his interest in shares in the Company, is also deemed interested in the shares in all the Company's subsidiaries to the extent the Company has an interest.

Other than as disclosed above, none of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

**Issue of Shares**

During the financial year, the Company increased its issued and paid-up ordinary shares capital from RM454,344,770 to RM455,000,000 by way of the issuance of 655,230 ordinary shares of RM1 each for cash pursuant to the Company's Employee Share Options Scheme at an exercise price of RM1.11 per ordinary shares.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

**Employee Share Options Scheme**

The Company's Employee Share Options Scheme ("ESOS") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 24 June 2005. The ESOS was implemented on 21 September 2005 and is to be in force for a period of 10 years from the date of implementation. The salient features and other terms of the ESOS are disclosed in Note 31 to the financial statements.

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of option holders, other than directors, who have been granted options to subscribe for less than 30,000 ordinary shares of RM1 each.

Details of options granted to directors are disclosed in the directors' interests section in this report.

## Directors' Report

### Other Statutory Information

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
  - (i) the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent in respect of these financial statements; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
  - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
  - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

### Significant Events

In addition to the significant events disclosed elsewhere in this report, other significant events are disclosed in Note 47 to the financial statements.

### Auditors

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 April 2011.

**Tan Sri Dato' Tan Chee Sing**

Selangor Darul Ehsan, Malaysia

**Dato' Tong Kien Onn**

# Statement by Directors

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Tan Sri Dato' Tan Chee Sing and Dato' Tong Kien Onn, being two of the directors of Dijaya Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 87 to 168 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2010 and of their financial performance and cash flows for the year then ended.

The information set out in Note 49 on page 168 to the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 April 2011.

**Tan Sri Dato' Tan Chee Sing**

**Dato' Tong Kien Onn**

Selangor Darul Ehsan, Malaysia

# Statutory Declaration

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Koong Wai Seng, being the officer primarily responsible for the financial management of Dijaya Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 87 to 168 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

|                                           |   |                       |
|-------------------------------------------|---|-----------------------|
| Subscribed and solemnly declared by the   | ) |                       |
| abovenamed Koong Wai Seng at Kuala Lumpur | ) |                       |
| in State of Wilayah Persekutuan           | ) | <b>Koong Wai Seng</b> |
| on 22 April 2011.                         | ) |                       |

Before me,

**R. Vasugi Ammal**

No. W480

Commissioner for Oaths

# Independent Auditors' Report

TO THE MEMBERS OF DIJAYA CORPORATION BERHAD

## Report on the Financial Statements

We have audited the financial statements of Dijaya Corporation Berhad, which comprise the statement of financial position as at 31 December 2010 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flow of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 87 to 168.

### *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 Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditors' responsibility*

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

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

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

### *Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2010 and of their financial performance and cash flows for the year then ended.

## Independent Auditors' Report

TO THE MEMBERS OF DIJAYA CORPORATION BERHAD

### Report on Other Legal and Regulatory Requirements

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 18 to the financial statements, being financial statements that have been included in the consolidated financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

### Other Matters

The supplementary information set out in Note 49 on page 168 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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

#### Ernst & Young

AF: 0039

Chartered Accountants

Kuala Lumpur, Malaysia

22 April 2011

#### Low Khung Leong

No. 2697/01/13 (J)

Chartered Accountant

# Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2010

|                                                                                | Note | Group<br>2010<br>RM'000 | 2009<br>RM'000 | Company<br>2010<br>RM'000 | 2009<br>RM'000 |
|--------------------------------------------------------------------------------|------|-------------------------|----------------|---------------------------|----------------|
| <b>Revenue</b>                                                                 | 4    | <b>292,258</b>          | 311,777        | <b>37,201</b>             | 35,500         |
| Cost of sales                                                                  | 5    | <b>(193,093)</b>        | (194,168)      | –                         | –              |
| <b>Gross profit</b>                                                            |      | <b>99,165</b>           | 117,609        | <b>37,201</b>             | 35,500         |
| <b>Other items of income</b>                                                   |      |                         |                |                           |                |
| Interest income                                                                | 6    | <b>5,003</b>            | 2,126          | <b>12,810</b>             | 87             |
| Other income                                                                   | 7    | <b>41,045</b>           | 47,159         | <b>27,490</b>             | 792            |
| <b>Other items of expense</b>                                                  |      |                         |                |                           |                |
| Administrative expenses                                                        |      | <b>(50,422)</b>         | (60,176)       | <b>(3,834)</b>            | (2,671)        |
| Other expenses                                                                 |      | <b>(42,001)</b>         | (30,006)       | <b>(83,727)</b>           | (13,071)       |
| Finance costs                                                                  | 8    | <b>(6,001)</b>          | (9,575)        | <b>(282)</b>              | (1,195)        |
| Share of results of associates                                                 |      | <b>6,605</b>            | 4,978          | –                         | –              |
| <b>Profit/(loss) before tax</b>                                                | 9    | <b>53,394</b>           | 72,115         | <b>(10,342)</b>           | 19,442         |
| Income tax expense                                                             | 12   | <b>(5,725)</b>          | (12,652)       | <b>(4,673)</b>            | (8,360)        |
| <b>Profit/(loss) net of tax</b>                                                |      | <b>47,669</b>           | 59,463         | <b>(15,015)</b>           | 11,082         |
| <b>Other comprehensive income</b>                                              |      |                         |                |                           |                |
| Foreign currency translation                                                   |      | <b>1,231</b>            | 407            | –                         | –              |
| <b>Total comprehensive income/(expense)</b>                                    |      | <b>48,900</b>           | 59,870         | <b>(15,015)</b>           | 11,082         |
| <b>Profit attributable to:</b>                                                 |      |                         |                |                           |                |
| Owners of the parent                                                           |      | <b>43,252</b>           | 50,512         |                           |                |
| Minority interests                                                             |      | <b>4,417</b>            | 8,951          |                           |                |
|                                                                                |      | <b>47,669</b>           | 59,463         |                           |                |
| <b>Total comprehensive income attributable to:</b>                             |      |                         |                |                           |                |
| Owners of the parent                                                           |      | <b>44,483</b>           | 50,919         |                           |                |
| Minority interests                                                             |      | <b>4,417</b>            | 8,951          |                           |                |
|                                                                                |      | <b>48,900</b>           | 59,870         |                           |                |
| <b>Earnings per share attributable to owners of the parent (sen per share)</b> |      |                         |                |                           |                |
| Basic                                                                          | 13   | <b>9.51</b>             | 18.84          |                           |                |
| Diluted                                                                        | 13   | <b>9.51</b>             | 18.84          |                           |                |
| <b>Net dividends per ordinary share in respect of the year (sen per share)</b> | 14   | <b>2.25</b>             | 1.50           |                           |                |

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

# Statement of Financial Position - Group

AS AT 31 DECEMBER 2010

|                                               | Note  | 2010<br>RM'000   | 2009<br>(restated)<br>RM'000 | As at<br>1.1.2009<br>(restated)<br>RM'000 |
|-----------------------------------------------|-------|------------------|------------------------------|-------------------------------------------|
| <b>Assets</b>                                 |       |                  |                              |                                           |
| <b>Non-current assets</b>                     |       |                  |                              |                                           |
| Property, plant and equipment                 | 15    | <b>403,474</b>   | 276,338                      | 255,695                                   |
| Land held for property development            | 16(a) | <b>111,713</b>   | 129,257                      | 131,120                                   |
| Investment properties                         | 17    | <b>325,690</b>   | 278,555                      | 251,217                                   |
| Investments in associates                     | 19    | <b>25,735</b>    | 55,166                       | 52,727                                    |
| Marketable securities                         | 20    | <b>56,780</b>    | 36,971                       | 26,228                                    |
| Other investments                             | 21    | <b>312</b>       | 312                          | 372                                       |
| Security retainers accumulation fund          | 22    | <b>3,232</b>     | 3,042                        | 2,858                                     |
| Intangible assets                             | 23    | <b>3,342</b>     | 3,342                        | 3,342                                     |
|                                               |       | <b>930,278</b>   | 782,983                      | 723,559                                   |
| <b>Current assets</b>                         |       |                  |                              |                                           |
| Property development costs                    | 16(b) | <b>181,723</b>   | 136,247                      | 171,607                                   |
| Inventories                                   | 24    | <b>33,244</b>    | 53,399                       | 81,091                                    |
| Trade and other receivables                   | 25    | <b>78,813</b>    | 81,991                       | 73,396                                    |
| Other current assets                          | 26    | <b>11,415</b>    | 37,885                       | 23,047                                    |
| Marketable securities                         | 20    | <b>36,906</b>    | 29,902                       | 23,696                                    |
| Tax recoverable                               |       | <b>6,767</b>     | 4,399                        | 16,841                                    |
| Cash and bank balances                        | 27    | <b>240,586</b>   | 300,619                      | 141,937                                   |
|                                               |       | <b>589,454</b>   | 644,442                      | 531,615                                   |
| Non-current asset classified as held for sale |       | –                | –                            | 14,919                                    |
|                                               |       | <b>589,454</b>   | 644,442                      | 546,534                                   |
| <b>Total assets</b>                           |       | <b>1,519,732</b> | 1,427,425                    | 1,270,093                                 |

## Statement of financial position - Group

AS AT 31 DECEMBER 2010

|                                                             | Note | 2010<br>RM'000   | 2009<br>(restated)<br>RM'000 | As at<br>1.1.2009<br>(restated)<br>RM'000 |
|-------------------------------------------------------------|------|------------------|------------------------------|-------------------------------------------|
| <b>Equity and liabilities</b>                               |      |                  |                              |                                           |
| <b>Equity attributable to equity holders of the Company</b> |      |                  |                              |                                           |
| Share capital                                               | 28   | <b>455,000</b>   | 454,345                      | 259,626                                   |
| Reserves                                                    | 29   | <b>443,836</b>   | 385,498                      | 375,624                                   |
|                                                             |      | <b>898,836</b>   | 839,843                      | 635,250                                   |
| Minority interests                                          |      | <b>60,785</b>    | 69,311                       | 78,360                                    |
| <b>Total equity</b>                                         |      | <b>959,621</b>   | 909,154                      | 713,610                                   |
| <b>Non-current liabilities</b>                              |      |                  |                              |                                           |
| Sinking fund                                                | 30   | <b>2,210</b>     | 3,213                        | 2,495                                     |
| Provision for liabilities                                   | 32   | <b>6,986</b>     | 12,898                       | 3,180                                     |
| Deferred tax liabilities                                    | 33   | <b>57,196</b>    | 66,953                       | 71,950                                    |
| Security retainers                                          | 34   | <b>1,151</b>     | 27,320                       | 27,330                                    |
| Deferred license fees                                       | 35   | <b>72,019</b>    | 70,638                       | 69,413                                    |
| Borrowings                                                  | 36   | <b>208,650</b>   | 89,520                       | 82,717                                    |
|                                                             |      | <b>348,212</b>   | 270,542                      | 257,085                                   |
| <b>Current liabilities</b>                                  |      |                  |                              |                                           |
| Provision for liabilities                                   | 32   | —                | 1,999                        | 19                                        |
| Deferred license fees                                       | 35   | <b>2,095</b>     | 1,907                        | 1,650                                     |
| Borrowings                                                  | 36   | <b>2,711</b>     | 60,864                       | 59,501                                    |
| Trade and other payables                                    | 37   | <b>179,854</b>   | 172,881                      | 209,620                                   |
| Other current liabilities                                   | 38   | <b>26,845</b>    | 7,401                        | 5,672                                     |
| Tax payable                                                 |      | <b>394</b>       | 2,677                        | 22,936                                    |
|                                                             |      | <b>211,899</b>   | 247,729                      | 299,398                                   |
| <b>Total liabilities</b>                                    |      | <b>560,111</b>   | 518,271                      | 556,483                                   |
| <b>Total equity and liabilities</b>                         |      | <b>1,519,732</b> | 1,427,425                    | 1,270,093                                 |

# Statement of Financial Position - Company

AS AT 31 DECEMBER 2010

|                                     | Note | 2010<br>RM'000 | 2009<br>RM'000 |
|-------------------------------------|------|----------------|----------------|
| <b>Assets</b>                       |      |                |                |
| <b>Non-current assets</b>           |      |                |                |
| Property, plant and equipment       | 15   | 5,780          | 679            |
| Investments in subsidiaries         | 18   | 285,343        | 244,548        |
| Trade and other receivables         | 25   | 155,711        | –              |
| Other investments                   | 21   | 312            | 312            |
|                                     |      | <b>447,146</b> | 245,539        |
| <b>Current assets</b>               |      |                |                |
| Trade and other receivables         | 25   | 293,974        | 579,371        |
| Other current assets                | 26   | 47             | 24             |
| Tax recoverable                     |      | 535            | 535            |
| Cash and bank balances              | 27   | 1,915          | 1,100          |
|                                     |      | <b>296,471</b> | 581,030        |
| <b>Total assets</b>                 |      | <b>743,617</b> | 826,569        |
| <b>Equity and liabilities</b>       |      |                |                |
| <b>Equity</b>                       |      |                |                |
| Share capital                       | 28   | 455,000        | 454,345        |
| Reserves                            | 29   | 283,866        | 308,646        |
| Shareholder's equity                |      | <b>738,866</b> | 762,991        |
| <b>Current liabilities</b>          |      |                |                |
| Borrowings                          | 36   | –              | 39,625         |
| Other payables                      | 37   | 4,751          | 23,953         |
| <b>Total liabilities</b>            |      | <b>4,751</b>   | 63,578         |
| <b>Total equity and liabilities</b> |      | <b>743,617</b> | 826,569        |

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

# Statement of Changes in Equity - Group

FOR THE YEAR ENDED 31 DECEMBER 2010

|                                             | Attributable to owners of the parent |               |                                      |                       |                 |                    |                |         |                    |              |
|---------------------------------------------|--------------------------------------|---------------|--------------------------------------|-----------------------|-----------------|--------------------|----------------|---------|--------------------|--------------|
|                                             | Non-distributable                    |               |                                      |                       |                 |                    |                |         |                    |              |
|                                             | Share capital                        | Share premium | Foreign currency translation reserve | Share options reserve | Warrant reserve | Accumulated losses | Total reserves | Total   | Minority interests | Total equity |
|                                             | RM'000                               | RM'000        | RM'000                               | RM'000                | RM'000          | RM'000             | RM'000         | RM'000  | RM'000             | RM'000       |
|                                             | Note 28                              | Note 28       | Note 29(a)                           | Note 29(b)            | Note 29(c)      |                    |                |         |                    |              |
| <b>At 1 January 2009</b>                    | 259,626                              | 402,685       | (142)                                | 4,137                 | –               | (31,056)           | 375,624        | 635,250 | 78,360             | 713,610      |
| <b>Total comprehensive income</b>           | –                                    | –             | 407                                  | –                     | –               | 50,512             | 50,919         | 50,919  | 8,951              | 59,870       |
| <b>Transactions with owners</b>             |                                      |               |                                      |                       |                 |                    |                |         |                    |              |
| Issue of ordinary shares                    |                                      |               |                                      |                       |                 |                    |                |         |                    |              |
| – First call of RM0.80                      | 155,775                              | –             | –                                    | –                     | –               | –                  | –              | 155,775 | –                  | 155,775      |
| – Second call of RM0.20                     | 38,944                               | (38,944)      | –                                    | –                     | –               | –                  | (38,944)       | –       | –                  | –            |
| Share options granted under ESOS            | –                                    | –             | –                                    | 1,793                 | –               | –                  | 1,793          | 1,793   | –                  | 1,793        |
| Issuance of warrants                        | –                                    | –             | –                                    | –                     | 39,320          | (39,320)           | –              | –       | –                  | –            |
| Dividend paid                               |                                      |               |                                      |                       |                 |                    |                |         |                    |              |
| – to the shareholders of the Company        | –                                    | –             | –                                    | –                     | –               | (3,894)            | (3,894)        | (3,894) | –                  | (3,894)      |
| – to minority shareholders' of a subsidiary | –                                    | –             | –                                    | –                     | –               | –                  | –              | –       | (18,000)           | (18,000)     |
| <b>Total transaction with owners</b>        | 194,719                              | (38,944)      | –                                    | 1,793                 | 39,320          | (43,214)           | (41,045)       | 153,674 | (18,000)           | 135,674      |
| <b>At 31 December 2009</b>                  | 454,345                              | 363,741       | 265                                  | 5,930                 | 39,320          | (23,758)           | 385,498        | 839,843 | 69,311             | 909,154      |

## Statement of Changes in Equity - Group

FOR THE YEAR ENDED 31 DECEMBER 2010

|                                             | Attributable to owners of the parent |                |                                      |                       |                 |                                         |                |                |                    |                 |
|---------------------------------------------|--------------------------------------|----------------|--------------------------------------|-----------------------|-----------------|-----------------------------------------|----------------|----------------|--------------------|-----------------|
|                                             | Non-distributable                    |                |                                      |                       |                 |                                         |                |                |                    |                 |
|                                             | Share capital                        | Share premium  | Foreign currency translation reserve | Share options reserve | Warrant reserve | Retained earnings/ (accumulated losses) | Total reserves | Total          | Minority interests | Total equity    |
|                                             | RM'000                               | RM'000         | RM'000                               | RM'000                | RM'000          | RM'000                                  | RM'000         | RM'000         | RM'000             | RM'000          |
|                                             | Note 28                              | Note 28        | Note 29(a)                           | Note 29(b)            | Note 29(c)      |                                         |                |                |                    |                 |
| <b>At 1 January 2010</b>                    | <b>454,345</b>                       | <b>363,741</b> | <b>265</b>                           | <b>5,930</b>          | <b>39,320</b>   | <b>(23,758)</b>                         | <b>385,498</b> | <b>839,843</b> | <b>69,311</b>      | <b>909,154</b>  |
| Effects of adopting FRS 139                 | -                                    | -              | -                                    | -                     | -               | 23,747                                  | 23,747         | 23,747         | -                  | 23,747          |
|                                             | <b>454,345</b>                       | <b>363,741</b> | <b>265</b>                           | <b>5,930</b>          | <b>39,320</b>   | <b>(11)</b>                             | <b>409,245</b> | <b>863,590</b> | <b>69,311</b>      | <b>932,901</b>  |
| <b>Total comprehensive income</b>           | -                                    | -              | <b>1,231</b>                         | -                     | -               | <b>43,252</b>                           | <b>44,483</b>  | <b>44,483</b>  | <b>4,417</b>       | <b>48,900</b>   |
| <b>Transactions with owners</b>             |                                      |                |                                      |                       |                 |                                         |                |                |                    |                 |
| Issue of ordinary shares pursuant to ESOS   | 655                                  | 72             | -                                    | -                     | -               | -                                       | 72             | 727            | -                  | 727             |
| Share options granted under ESOS            | -                                    | -              | -                                    | 400                   | -               | -                                       | 400            | 400            | -                  | 400             |
| Expiry of ESOS                              | -                                    | -              | -                                    | (1,234)               | -               | 1,107                                   | (127)          | (127)          | 127                | -               |
| Acquisition of minority interests           | -                                    | -              | -                                    | -                     | -               | -                                       | -              | -              | 430                | 430             |
| Dividend paid                               |                                      |                |                                      |                       |                 |                                         |                |                |                    |                 |
| - to the shareholders of the Company        | -                                    | -              | -                                    | -                     | -               | (10,237)                                | (10,237)       | (10,237)       | -                  | (10,237)        |
| - to minority shareholders' of a subsidiary | -                                    | -              | -                                    | -                     | -               | -                                       | -              | -              | (13,500)           | (13,500)        |
| Total transaction with owners               | <b>655</b>                           | <b>72</b>      | <b>-</b>                             | <b>(834)</b>          | <b>-</b>        | <b>(9,130)</b>                          | <b>(9,892)</b> | <b>(9,237)</b> | <b>(12,943)</b>    | <b>(22,180)</b> |
| <b>At 31 December 2010</b>                  | <b>455,000</b>                       | <b>363,813</b> | <b>1,496</b>                         | <b>5,096</b>          | <b>39,320</b>   | <b>34,111</b>                           | <b>443,836</b> | <b>898,836</b> | <b>60,785</b>      | <b>959,621</b>  |

# Statement of Changes in Equity - Company

FOR THE YEAR ENDED 31 DECEMBER 2010

|                                      | <div style="display: flex; justify-content: space-between; align-items: center;"> <span>← Reserves →</span> <span>← Non-distributable reserves →</span> </div> |                                    |                                               |                                         |                              |                          |                        |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------|-----------------------------------------|------------------------------|--------------------------|------------------------|
|                                      | Share capital<br>RM'000<br>Note 28                                                                                                                             | Share premium<br>RM'000<br>Note 28 | Share options reserve<br>RM'000<br>Note 29(a) | Warrant reserve<br>RM'000<br>Note 29(b) | Accumulated losses<br>RM'000 | Total reserves<br>RM'000 | Total equity<br>RM'000 |
| <b>At 1 January 2009</b>             | 259,626                                                                                                                                                        | 402,685                            | 4,137                                         | –                                       | (68,213)                     | 338,609                  | 598,235                |
| <b>Total comprehensive income</b>    | –                                                                                                                                                              | –                                  | –                                             | –                                       | 11,082                       | 11,082                   | 11,082                 |
| <b>Transactions with owners</b>      |                                                                                                                                                                |                                    |                                               |                                         |                              |                          |                        |
| Issue of ordinary shares             |                                                                                                                                                                |                                    |                                               |                                         |                              |                          |                        |
| – First call of RM0.80               | 155,775                                                                                                                                                        | –                                  | –                                             | –                                       | –                            | –                        | 155,775                |
| – Second call of RM0.20              | 38,944                                                                                                                                                         | (38,944)                           | –                                             | –                                       | –                            | (38,944)                 | –                      |
| Share options granted under ESOS     | –                                                                                                                                                              | –                                  | 1,793                                         | –                                       | –                            | 1,793                    | 1,793                  |
| Dividend paid (Note 14)              | –                                                                                                                                                              | –                                  | –                                             | –                                       | (3,894)                      | (3,894)                  | (3,894)                |
| Issuance of warrants                 | –                                                                                                                                                              | –                                  | –                                             | 39,320                                  | (39,320)                     | –                        | –                      |
| <b>Total transaction with owners</b> | <b>194,719</b>                                                                                                                                                 | <b>(38,944)</b>                    | <b>1,793</b>                                  | <b>39,320</b>                           | <b>(43,214)</b>              | <b>(41,045)</b>          | <b>153,674</b>         |
| <b>At 31 December 2009</b>           | <b>454,345</b>                                                                                                                                                 | <b>363,741</b>                     | <b>5,930</b>                                  | <b>39,320</b>                           | <b>(100,345)</b>             | <b>308,646</b>           | <b>762,991</b>         |
| <b>At 1 January 2010</b>             | 454,345                                                                                                                                                        | 363,741                            | 5,930                                         | 39,320                                  | (100,345)                    | 308,646                  | 762,991                |
| <b>Total comprehensive loss</b>      | –                                                                                                                                                              | –                                  | –                                             | –                                       | (15,015)                     | (15,015)                 | (15,015)               |
| <b>Transactions with owners</b>      |                                                                                                                                                                |                                    |                                               |                                         |                              |                          |                        |
| Issue of ordinary shares             | 655                                                                                                                                                            | 72                                 | –                                             | –                                       | –                            | 72                       | 727                    |
| Share options granted under ESOS     | –                                                                                                                                                              | –                                  | 400                                           | –                                       | –                            | 400                      | 400                    |
| Unexercise of ESOS                   | –                                                                                                                                                              | –                                  | (1,234)                                       | –                                       | 1,234                        | –                        | –                      |
| Dividend paid (Note 14)              | –                                                                                                                                                              | –                                  | –                                             | –                                       | (10,237)                     | (10,237)                 | (10,237)               |
| <b>Total transaction with owners</b> | <b>655</b>                                                                                                                                                     | <b>72</b>                          | <b>(834)</b>                                  | <b>–</b>                                | <b>(9,003)</b>               | <b>(9,765)</b>           | <b>(9,110)</b>         |
| <b>At 31 December 2010</b>           | <b>455,000</b>                                                                                                                                                 | <b>363,813</b>                     | <b>5,096</b>                                  | <b>39,320</b>                           | <b>(124,363)</b>             | <b>283,866</b>           | <b>738,866</b>         |

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

# Statement of Cash Flow

FOR THE YEAR ENDED 31 DECEMBER 2010

|                                                               | Group           |                | Company         |                |
|---------------------------------------------------------------|-----------------|----------------|-----------------|----------------|
|                                                               | 2010<br>RM'000  | 2009<br>RM'000 | 2010<br>RM'000  | 2009<br>RM'000 |
| <b>Cash flows from operating activities</b>                   |                 |                |                 |                |
| Profit/(loss) before tax                                      | <b>53,394</b>   | 72,115         | <b>(10,342)</b> | 19,442         |
| Adjustments for:                                              |                 |                |                 |                |
| Depreciation of property, plant and equipment                 | <b>8,902</b>    | 7,495          | <b>997</b>      | 255            |
| Property, plant and equipment written off                     | <b>224</b>      | 2              | <b>79</b>       | –              |
| Amortisation of investment properties                         | <b>5,691</b>    | 4,400          | –               | –              |
| (Gain)/loss on disposal of property, plant and equipment      | <b>(325)</b>    | 35             | <b>68</b>       | –              |
| Impairment loss on amount due from subsidiaries               | –               | –              | <b>81,240</b>   | 12,018         |
| Impairment loss on investment in subsidiaries                 | –               | –              | –               | 286            |
| Reversal of impairment loss in amount due from                |                 |                |                 |                |
| – subsidiaries                                                | –               | –              | <b>27,158</b>   | –              |
| – third party                                                 | <b>(1,338)</b>  | –              | –               | –              |
| Reversal of provision for liabilities                         | <b>(5,980)</b>  | –              | –               | –              |
| Provision for liabilities                                     | <b>68</b>       | 7,592          | –               | –              |
| Share of profits in associates                                | <b>(6,605)</b>  | (4,978)        | –               | –              |
| Gain on disposal of land held for property development        | –               | (10,081)       | –               | –              |
| Gain on disposal of investment in subsidiary                  | <b>(1,170)</b>  | –              | –               | –              |
| Unwinding of discount of security retainers                   | <b>170</b>      | –              | –               | –              |
| Gross dividend income                                         | <b>(3,325)</b>  | (620)          | <b>(37,201)</b> | (35,500)       |
| Loss/(gain) on disposal of marketable securities              | <b>1,418</b>    | (537)          | –               | –              |
| Net fair value gains on financial instruments:                |                 |                |                 |                |
| – Marketable securities                                       | <b>(11,135)</b> | (20,006)       | –               | –              |
| Amortisation of deferred license fees                         | <b>(2,095)</b>  | (1,907)        | –               | –              |
| Allowance for impairment loss for trade and other receivables | <b>935</b>      | 488            | –               | 186            |
| Bad debt written off                                          | –               | 60             | –               | –              |
| Amortisation of endowment fund premium                        | <b>11</b>       | 11             | –               | –              |
| Unrealised returns on endowment policy                        | <b>(201)</b>    | (195)          | –               | –              |
| Interest income                                               | <b>(5,003)</b>  | (2,126)        | <b>(12,810)</b> | (87)           |
| Interest expenses                                             | –               | 9,575          | <b>282</b>      | 1,195          |
| Deposit written off                                           | –               | 10,980         | –               | –              |
| Share options granted under ESOS                              | <b>400</b>      | 1,793          | –               | 82             |
| Net unrealised foreign exchange loss                          | –               | 407            | –               | –              |
| Operating profit/(loss) before working capital changes        | <b>34,036</b>   | 74,503         | <b>(4,845)</b>  | (2,123)        |

## Statement of Cash Flow

FOR THE YEAR ENDED 31 DECEMBER 2010

|                                                                                      | Group          |                | Company        |                |
|--------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                                      | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Cash flows from operating activities (cont'd.)</b>                                |                |                |                |                |
| Balance brought forward                                                              | 34,036         | 74,503         | (4,845)        | (2,123)        |
| Decrease/(increase) in receivables                                                   | 30,051         | (34,728)       | 47,983         | (147,762)      |
| Increase in placement of deposits with licensed bank not available for use           | (4,301)        | (733)          | –              | –              |
| Decrease in inventories                                                              | 20,155         | 27,692         | –              | –              |
| Decrease in security retainers                                                       | (30)           | (10)           | –              | –              |
| (Increase)/decrease in land held for property development/property development costs | (47,700)       | 36,901         | –              | –              |
| (Decrease)/increase in sinking fund                                                  | (1,003)        | 718            | –              | –              |
| Increase in deferred license fee                                                     | 3,664          | 3,389          | –              | –              |
| Decrease in provision for liabilities                                                | (1,999)        | (1,200)        | –              | –              |
| Increase/(decrease) in payables                                                      | 62,552         | (29,761)       | (19,207)       | (19,866)       |
| Cash generated from/(used in) operations                                             | 95,425         | 76,771         | 23,931         | (169,751)      |
| Interests paid                                                                       | –              | (9,865)        | (282)          | (1,195)        |
| Taxes paid, net of refunds                                                           | (19,698)       | (25,466)       | –              | 614            |
| Net cash generated from/(used in) operations                                         | 75,727         | 41,440         | 23,649         | (170,332)      |
| <b>Cash flows from investing activities</b>                                          |                |                |                |                |
| Purchase of property, plant and equipment                                            | (157,662)      | (28,192)       | (6,283)        | (48)           |
| Purchase of investment properties                                                    | (18,871)       | (31,435)       | –              | –              |
| Purchase of marketable securities                                                    | (33,290)       | –              | –              | –              |
| Purchase of other investments                                                        | –              | (60)           | –              | –              |
| Proceeds from disposal of property, plant and equipment                              | 924            | 39             | 38             | –              |
| Proceeds from disposal of marketable securities                                      | 19,303         | 3,714          | –              | –              |
| Proceeds from disposal of land held for sale                                         | –              | 25,000         | –              | –              |
| Interest received                                                                    | 5,003          | 2,126          | 24             | 87             |
| Net cash outflow on acquisition of subsidiaries                                      | (3)            | –              | (7)            | –              |
| Balance carried forward                                                              | (184,596)      | (28,808)       | (6,228)        | 39             |

## Statement of Cash Flow

FOR THE YEAR ENDED 31 DECEMBER 2010

|                                                             | Group          |                | Company        |                |
|-------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                             | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Cash flows from investing activities</b>                 |                |                |                |                |
| Balance carried forward                                     | (184,596)      | (28,808)       | (6,228)        | 39             |
| Acquisition of minority interest                            | 430            |                |                |                |
| Net cash outflow from disposal of subsidiary                | (2)            | –              | –              | –              |
| Dividend received                                           | 1,356          | (620)          | 32,529         | 26,625         |
| Dividend received from associate                            | 3,506          | 2,539          | –              | –              |
| Net cash (used in)/generated from investing activities      | (179,297)      | (25,649)       | 26,301         | 26,664         |
| <b>Cash flows from financing activities</b>                 |                |                |                |                |
| Drawdown/(repayment) from borrowings, net                   | 70,251         | (1,108)        | (30,351)       | (18,150)       |
| Issue of ordinary shares pursuant to the Rights Issue       | –              | 155,775        | –              | 155,775        |
| Issue of ordinary shares pursuant to the ESOS               | 727            | –              | 727            | –              |
| Dividends paid to equity holders of the Company             | (10,237)       | (3,894)        | (10,237)       | (3,894)        |
| Dividends paid to minority shareholder of a subsidiary      | (13,500)       | (18,000)       | –              | –              |
| Net cash generated from/(used in) financing activities      | 47,241         | 132,773        | (39,861)       | 133,731        |
| <b>Net (decrease)/increase in cash and cash equivalents</b> | (56,329)       | 148,564        | 10,089         | (9,937)        |
| Effects of foreign exchange rate changes                    | 1,231          | (3)            | –              | –              |
| <b>Cash and cash equivalents at beginning of year</b>       | <b>287,838</b> | <b>139,277</b> | <b>(8,174)</b> | <b>1,763</b>   |
| <b>Cash and cash equivalents at end of year (note 27)</b>   | <b>232,740</b> | <b>287,838</b> | <b>1,915</b>   | <b>(8,174)</b> |

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

# Notes to the Financial Statements

31 DECEMBER 2010

## 1. Corporate Information

Dijaya Corporation Berhad (the “Company” or “Dijaya”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at C-06-02, 6th Floor, Block C, Wisma TT, No. 1, Jalan PJS 8/15, Dataran Mentari, 46150 Petaling Jaya, Selangor Darul Ehsan. The principal place of business of the Company is located at Level 10-12, Tropicana City Office Tower, No. 3, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are that of investment holding and provision of management services. The principal activities of the subsidiaries and associates are described in Notes 18 and 19 respectively. There have been no significant changes in the nature of these principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 April 2011.

## 2. Summary of Significant Accounting Policies

### 2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards (“FRSs”) and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 January 2010 as described fully in Note 2.2.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

### 2.2 Changes in accounting policies

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

On 1 January 2010, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2010.

|                                                      |                                                                                                                                                                                                   |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FRS 7                                                | Financial Instruments : Disclosures                                                                                                                                                               |
| FRS 8                                                | Operating Segments                                                                                                                                                                                |
| FRS 101                                              | Presentations of Financial Statements (Revised)                                                                                                                                                   |
| FRS 123                                              | Borrowing Costs                                                                                                                                                                                   |
| FRS 139                                              | Financial Instruments: Recognition and Measurement                                                                                                                                                |
| Amendments to FRS 1 and FRS 127                      | First-time Adoption of Financial Reporting Standard and and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate |
| Amendments to FRS 2                                  | Share-based Payment - Vesting Conditions and Cancellations                                                                                                                                        |
| Amendments to FRS 132                                | Financial Instruments: Presentation                                                                                                                                                               |
| Amendments to FRS 139, FRS 7 and IC Interpretation 9 | Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives                                                                                          |
| Improvements to FRS issued in 2009                   |                                                                                                                                                                                                   |

# Notes to the Financial Statements

31 DECEMBER 2010

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.2 Changes in accounting policies (cont'd.)

|                      |                                                                                                  |
|----------------------|--------------------------------------------------------------------------------------------------|
| IC Interpretation 9  | Reassessment of Embedded Derivatives                                                             |
| IC Interpretation 10 | Interim Financial Reporting and Impairment                                                       |
| IC Interpretation 11 | FRS 2 Group and Treasury Share Transactions                                                      |
| IC Interpretation 13 | Customer Loyalty Programmes                                                                      |
| IC Interpretation 14 | FRS 119 The limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |

FRS 4 Insurance Contracts and TR i-3 Presentation of Financial Statements of Islamic Financial Institutions will also be effective for annual periods beginning on or after 1 January 2010. These FRS are, however, not applicable to the Group and the Company.

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

#### FRS 7 Financial Instruments: Disclosures

Prior to 1 January 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 *Financial Instruments: Disclosure and Presentation*. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout this report.

#### FRS 8 Operating Segments

FRS 8, which replaces FRS 114 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purpose of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously revised disclosures, including the related revised comparative information, are shown in Note 46.

#### FRS 101 Presentation of Financial Statements (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners and all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.2 Changes in accounting policies (cont'd.)

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital (see Note 48).

The revised FRS 101 was adopted retrospectively by the Group and the Company.

#### Amendments to FRS 117 Leases

Prior to 1 January 2010, for all leases of land and buildings, if title is not expected to pass to the lessee by the end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incidental to ownership.

Hence, all leasehold land held for own use was classified by the Group as operating lease and where necessary, the minimum lease payments or the up-front payments made were allocated between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represented prepaid lease payments and were amortised on a straight-line basis over the lease term.

The amendments to FRS 117 Leases clarify that leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets. They also clarify that the present value of the residual value of the property in a lease with a term of several decades would be negligible and accounting for the land element as a finance lease in such circumstances would be consistent with the economic position of the lessee. Hence, the adoption of the amendments to FRS 117 has resulted in certain unexpired land leases to be reclassified as finance leases. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated. The following are effects to the consolidated statement of financial positions as at 31 December 2010 arising from the above change in accounting policy:

|                               | <b>Group<br/>2010<br/>RM'000</b> |
|-------------------------------|----------------------------------|
| Increase/(decrease) in:       |                                  |
| Property, plant and equipment | <b>138,792</b>                   |
| Prepaid land lease payment    | <b>(138,792)</b>                 |

The following comparatives have been restated:

|                                                     | <b>As previously<br/>stated<br/>RM'000</b> | <b>Adjustments<br/>RM'000</b> | <b>As restated<br/>RM'000</b> |
|-----------------------------------------------------|--------------------------------------------|-------------------------------|-------------------------------|
| <b>Consolidated statement of financial position</b> |                                            |                               |                               |
| <b>31 December 2009</b>                             |                                            |                               |                               |
| Property, plant and equipment                       | 151,328                                    | 125,010                       | 276,338                       |
| Prepaid land lease payment                          | 125,010                                    | (125,010)                     | –                             |
| <b>1 January 2009</b>                               |                                            |                               |                               |
| Property, plant and equipment                       | 128,860                                    | 126,835                       | 255,695                       |
| Prepaid land lease payment                          | 126,835                                    | (126,835)                     | –                             |

# Notes to the Financial Statements

31 DECEMBER 2010

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.2 Changes in accounting policies (cont'd.)

#### FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 January 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard has been accounted for by adjusting the opening balance of retained earnings as at 1 January 2010. Comparatives are not restated. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are discussed below:

(i) Marketable securities

Prior to 1 January 2010, the Group classified its investments in equity instruments which were held for trading purposes as current and non-current marketable securities. Such investments were carried at the lower of cost and market value, determined on an aggregate basis. Upon the adoption of FRS 139, these investments are designated at 1 January 2010 as financial assets at fair value through profit or loss and accordingly are stated at their fair values as at that date amounting to RM1,545,000. The adjustments to their previous carrying amounts are recognised as adjustments to the opening balance of retained earnings as at 1 January 2010.

(ii) Security retainers

Prior to 1 January 2010, security retainers is carried at cost in the financial statements of the Group. Upon the adoption of FRS 139, the security retainers are recorded at their fair values that are lower than costs. The difference between the fair value and the security retainers amount is recognised as interest income for the Group. As at 1 January 2010, the Group has re-measured the security retainers at their amortised cost of RM26,309,000 and deferred tax of RM6,576,000. The adjustments to the previous carrying amounts are recognised as adjustment to the opening balance of retained earnings as at 1 January 2010.

(iii) Trade payables - retention sum

Prior to 1 January 2010, trade payables - retention sum is carried at cost in the financial statements of the Group. Upon the adoption of FRS 139, the trade payables - retention sum are recorded at their fair values that are lower than costs. The difference between the fair value and the trade payables - retention sum amount is recognised as interest income/ (expense) for the Group.

As at 1 January 2010, the Group has re-measured the trade payables - retention sum at their amortised cost of RM2,449,000. The adjustments to the previous carrying amounts are recognised as adjustment to the opening balance of retained earnings as at 1 January 2010.

(iv) Inter-company advances

During the current and prior years, the Company granted advances to its subsidiaries. Prior to 1 January 2010, advances were recorded at cost in the Company's financial statements. Upon the adoption of FRS 139, the advances are recorded initially at a fair value that is lower than cost. The difference between the fair value and cost of the loan or advance is recognised as an additional investment in the subsidiary. Subsequent to initial recognition, the loans and advances are measured at amortised cost. As at 1 January 2010, the Company has re-measured such loans and advances at their amortised cost of RM40,387 and the adjustments to their previous carrying amounts are recognised as adjustments to the investment in subsidiary.

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.2 Changes in accounting policies (cont'd.)

FRS 139 Financial Instruments: Recognition and Measurement (cont'd.)

The following are effects arising from the above changes in accounting policies:

|                                                                                     | Increase/ (decrease)                   |                                                        |
|-------------------------------------------------------------------------------------|----------------------------------------|--------------------------------------------------------|
|                                                                                     | As at<br>31 December<br>2010<br>RM'000 | As at<br>31 December<br>2009<br>RM'000                 |
| <b>Statements of financial position</b>                                             |                                        |                                                        |
| <b>Group</b>                                                                        |                                        |                                                        |
| Marketable securities                                                               | 1,290                                  | 1,545                                                  |
| Security retainers                                                                  | (26,139)                               | (26,309)                                               |
| Trade payables                                                                      |                                        |                                                        |
| – retention sum                                                                     | (2,056)                                | (2,449)                                                |
| – rental deposit refundable                                                         | (20)                                   | (20)                                                   |
| Deferred tax liabilities                                                            | 6,527                                  | 6,576                                                  |
| Retained earnings                                                                   | 22,977                                 | 23,747                                                 |
| <b>Statements of financial position</b>                                             |                                        |                                                        |
| <b>Company</b>                                                                      |                                        |                                                        |
| Investment in subsidiaries                                                          | 40,387                                 | 40,387                                                 |
| Trade and other receivables                                                         |                                        |                                                        |
| – amount due from subsidiaries                                                      | (40,387)                               | (40,387)                                               |
|                                                                                     | <b>Group<br/>2010<br/>RM'000</b>       | <b>Company<br/>2010<br/>RM'000</b>                     |
| <b>Statements of Comprehensive Income</b>                                           |                                        |                                                        |
| Interest income                                                                     | 910                                    | 12,786                                                 |
| Other income                                                                        | 6,388                                  | –                                                      |
| Other expenses                                                                      | (1,454)                                | –                                                      |
| Profit before tax                                                                   | 5,844                                  | 12,786                                                 |
| Income tax expense                                                                  | (1,412)                                | –                                                      |
| Profit net of tax, representing total comprehensive income for the year, net of tax | 4,432                                  | 12,786                                                 |
|                                                                                     |                                        | <b>Group<br/>Increase /<br/>2010<br/>Sen per share</b> |
| Earnings per share:                                                                 |                                        |                                                        |
| Basic                                                                               |                                        | 0.96                                                   |
| Diluted                                                                             |                                        | 0.96                                                   |

# Notes to the Financial Statements

31 DECEMBER 2010

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.3 Standards and interpretations issued but not yet effective

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

#### Effective for annual periods beginning on or after 1 March 2010:

|                       |                                 |
|-----------------------|---------------------------------|
| Amendments to FRS 132 | Classification of Rights Issues |
|-----------------------|---------------------------------|

#### Effective for annual periods beginning on or after 1 July 2010:

|                                   |                                                              |
|-----------------------------------|--------------------------------------------------------------|
| FRS 1                             | First time Adoption of Financial Reporting Standards         |
| FRS 3                             | Business Combinations (Revised)                              |
| Amendments to FRS 2               | Share-based Payment                                          |
| Amendments to FRS 5               | Non-current Assets Held for Sale and Discontinued Operations |
| Amendments to FRS 127             | Consolidated and Separate Financial Statements               |
| Amendments to FRS 138             | Intangible Assets                                            |
| Amendments to IC Interpretation 9 | Reassessment of Embedded Derivatives                         |
| IC Interpretation 12              | Service Concession Arrangement                               |
| IC Interpretation 16              | Hedges of a Net Investment in a Foreign Operation            |
| IC Interpretation 17              | Distributions of Non-cash Assets to Owners                   |

#### Effective for annual periods beginning on or after 1 January 2011:

|                                       |                                                                                 |
|---------------------------------------|---------------------------------------------------------------------------------|
| Amendments to FRS 1                   | Limited Exemption from Comparative<br>FRS 7 Disclosures for First-time Adopters |
| Amendments to FRS 1                   | Additional Exemption to First-Time Adopters                                     |
| Amendments to FRS 2                   | Group Cash-settled Share-based Payment Transactions                             |
| Amendments to FRS 7                   | Improving Disclosures about Financial Instruments                               |
| IC Interpretation 4                   | Determining whether an Arrangement contains a Lease                             |
| IC Interpretation 18                  | Transfer of assets from Customers                                               |
| Improvements to FRS issued<br>in 2010 |                                                                                 |

#### Effective for annual periods beginning on or after 1 July 2011:

|                                    |                                                             |
|------------------------------------|-------------------------------------------------------------|
| Amendments to IC Interpretation 14 | Prepayment of a Minimum Funding Requirement                 |
| IC Interpretation 19               | Extinguishing Financial Liabilities with Equity Instruments |

#### Effective for annual periods beginning on or after 1 January 2012:

|                      |                                                |
|----------------------|------------------------------------------------|
| FRS 124              | Related Party Disclosures                      |
| IC Interpretation 15 | Agreements for the Construction of Real Estate |

The above new FRS, Amendments to FRS and Interpretations are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes arising from the adoption of:

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.3 Standards and interpretations issued but not yet effective (Cont'd.)

#### Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 *Statement of Cash Flows*, FRS 112 *Income Taxes*, FRS 121 *The Effects of Changes in Foreign Exchange Rates*, FRS 128 *Investments in Associates* and FRS 131 *Interests in Joint Ventures*. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests. Although these standards may be adopted earlier, the Group does not intend to early adopt.

#### IC Interpretation 15 Agreements for the Construction of Real Estate

This Interpretation clarifies when and how revenue and related expenses from the sale of real estate should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111 *Construction Contracts* or FRS 118 *Revenue*.

The Group currently recognises revenue arising from property development projects using the stage of completion method. Upon the adoption of IC Interpretation 15, the Group may be required to change its accounting policy to recognise such revenues at completion, or upon or after delivery. The Group is in the process of making an assessment of the impact of this Interpretation.

### 2.4 Basis of consolidation

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

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full except for unrealised losses where they are not eliminated when there is an indication of impairment.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income. The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. The accounting policy for goodwill is set out in Note 2.6. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition.

## Notes to the Financial Statements

31 DECEMBER 2010

### 2. Summary of Significant Accounting Policies (Cont'd.)

#### 2.4 Basis of consolidation (cont'd.)

When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

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

#### 2.5 Transactions with minority interests

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

#### 2.6 Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative fair values of the operations disposed off and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operation on or after 1 January 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2.6.

Goodwill and fair value adjustments which arose on acquisitions of foreign operation before 1 January 2006 are deemed to be assets and liabilities of the Company and are recorded in RM at the rates prevailing at the date of acquisition.

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.7 Financial assets

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

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

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

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

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

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

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

#### b) Loans and receivables

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

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

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

#### c) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group and the Company have the positive intention and ability to hold the investment to maturity.

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

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

## Notes to the Financial Statements

31 DECEMBER 2010

### 2. Summary of Significant Accounting Policies (Cont'd.)

#### 2.7 Financial assets (cont'd.)

##### d) Available-for-sale financial assets

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

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss.

The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

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

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

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

#### 2.8 Impairment of financial assets

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

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

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

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

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.8 Impairment of financial assets (cont'd.)

#### a) Trade and other receivables and other financial assets carried at amortised cost (cont'd.)

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

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

### 2.9 Property, plant and equipment

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

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life, and therefore is not depreciated. Golf course expenditure are depreciated based on the period of the lease of 99 years, which will expire on 20 October 2090.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

|                                             |                |
|---------------------------------------------|----------------|
| – Leasehold buildings:                      | 20 to 50 years |
| – Golf course:                              | 99 years       |
| – Plant and machinery:                      | 7 to 20 years  |
| – Office furniture, fittings and equipment: | 4 to 10 years  |
| – Motor vehicles:                           | 5 years        |

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

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

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

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

## Notes to the Financial Statements

31 DECEMBER 2010

### 2. Summary of Significant Accounting Policies (Cont'd.)

#### 2.10 Land held for property development and property development costs

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

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

##### (ii) Property development costs

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

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

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

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

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

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as accrued billings within other current assets and the excess of billings to purchasers over revenue recognised in the profit or loss is classified as progress billings within other current liabilities.

#### 2.11 Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated amortisation and accumulated impairment losses.

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

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

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.12 Impairment of non-financial assets

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

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

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

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

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

### 2.13 Inventories

Inventories represent completed residential and commercial properties and consumables.

Inventories of completed properties are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis and includes costs of land, construction and appropriate development overheads.

Inventories of consumables are stated at the lower of cost and net replacement cost. Cost is determined on the first-in, first-out basis.

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

31 DECEMBER 2010

### 2. Summary of Significant Accounting Policies (Cont'd.)

#### 2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

#### 2.15 Share capital and share issuance expenses

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

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

#### 2.16 Subsidiaries

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

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

#### 2.17 Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment. Any 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 the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.18 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

### 2.19 Leases

#### a) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

#### b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.28(f).

### 2.20 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

## Notes to the Financial Statements

31 DECEMBER 2010

### 2. Summary of Significant Accounting Policies (Cont'd.)

#### 2.21 Income taxes

##### a) Current tax

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

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

##### b) Deferred tax

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

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

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

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

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

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

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.21 Income taxes (cont'd.)

#### b) Deferred tax (cont'd.)

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

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

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

### 2.22 Provisions

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

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

### 2.23 Sinking fund

Sinking fund of the Group is established for the purpose of covering costs of periodic major repairs or capital replacements in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from members during the year are credited to this reserve.

The amount credited into the sinking fund account during the year is subsequently paid to a fund which is kept in a separate trust account and administered by a Trustee.

Monies in the sinking fund are invested by the Trustee. Any income arising out of the investment is accrued to the fund.

### 2.24 Deferred license fees

License fees are received upon admission of new members of the golf and country resort of the Group after January 1993, and are recognised in the income statement over the remaining terms of the membership licenses, which would expire on 9 October 2051.

## Notes to the Financial Statements

31 DECEMBER 2010

### 2. Summary of Significant Accounting Policies (Cont'd.)

#### 2.25 Employee benefits

##### a) Defined contribution plan

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

##### b) Employee share option plans

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

#### 2.26 Financial liabilities

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

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

##### a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.26 Financial liabilities (cont'd.)

#### b) Other financial liabilities

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

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

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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

### 2.27 Foreign currencies

#### a) Functional and presentation currency

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

#### b) Foreign currency transactions

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

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

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

## Notes to the Financial Statements

31 DECEMBER 2010

### 2. Summary of Significant Accounting Policies (Cont'd.)

#### 2.27 Foreign currencies (cont'd.)

##### c) Foreign operations

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

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

#### 2.28 Revenue

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

##### a) Sale of properties

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2.10(ii).

##### b) Recreation and resort operations

Entrance fees are recognised upon signing of membership agreements. Deferred license fees are recognised over the period of the membership. Income from monthly subscription fees is recognised on an accrual basis.

##### c) Sale of goods

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

##### d) Dividend income

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

##### e) Interest income

Interest income is recognised by using the effective interest method.

##### f) Rental income

Rental income is recognised based on the accrual basis unless collection is in doubt, in which case it is recognised on a receipt basis.

##### g) Management fees

Management fees are recognised when services are rendered.

#### 2.29 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 46, including the factors used to identify the reportable segments and the measurement basis of segment information.

## 2. Summary of Significant Accounting Policies (Cont'd.)

### 2.30 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

## 3. Significant Accounting Estimates and Judgements

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

### 3.1 Judgements made in applying accounting policies

*Classification between operating lease and finance lease for leasehold land*

The Group has developed certain criteria based on FRS 117 in making judgement whether a leasehold land should be classified either as operating lease or finance lease.

Finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset and operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership. If the leasehold land meets the criteria of the finance lease, the lease will be classified as property, plant and equipment if it is for own use or will be classified as investment property if it is to earn rentals or for capital appreciation or both. Judgements is made on the individual leasehold land to determine whether the leasehold land qualifies as operating lease or finance lease.

### 3.2 Key sources of estimation uncertainty

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

#### (a) Property development

The Group recognises property development revenues and expenses in the statement of comprehensive income by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

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

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised to the extent of property development costs incurred that it is probable will be recoverable until the activity reaches a desired stage of completion, which the Group views as a reasonable benchmark based on past experience and by relying on the work of specialists.

## Notes to the Financial Statements

31 DECEMBER 2010

### 3. Significant Accounting Estimates and Judgements (Cont'd.)

#### 3.2 Key sources of estimation uncertainty (cont'd.)

##### (b) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total unrecognised tax losses and unutilised capital allowances of the Group was RM8,411,000 (2009: RM10,487,000) and RM25,109,000 (2009: RM44,089,000) respectively.

##### (c) Liquidated and ascertained damages

Liquidated and ascertained damages ("LAD") income are recognised to the extent that the economic benefits will flow to the Group and the amount can be reliably measured.

Significant management judgement is required to determine the timing of the completion of the project.

No LAD income has been recognised from the expected delay in completion of a project as at 31 December 2010 as the amount, if any, cannot be reliably measured pending evaluation of extension of time to be granted, if any.

##### (d) Impairment of goodwill

Goodwill, brands and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value in use of the cash-generating units to which goodwill and brands are allocated.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment of goodwill and brands and sensitivity analysis to changes in the assumptions are given in Note 23.

##### (e) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the reporting date is disclosed in Note 25. If the present value of estimated future cash flows varies by 10% from management's estimates, the Group's allowance for impairment will increase by RM144,700 (2009: decrease by RM214,700).

##### (f) Employee share options

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions, sensitivity analysis and the carrying amounts are disclosed in Note 31.

**4. Revenue**

|                                                | Group          |                | Company        |                |
|------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Sale of properties                             | <b>219,768</b> | 258,926        | –              | –              |
| Revenue from recreation and resort operations  | <b>29,152</b>  | 28,205         | –              | –              |
| Property management and maintenance fee income | <b>7,195</b>   | 4,949          | –              | –              |
| Rent and related income from shopping mall     | <b>32,818</b>  | 19,077         | –              | –              |
| Gross dividend income from:                    |                |                |                |                |
| – Subsidiaries                                 | –              | –              | <b>37,201</b>  | 35,500         |
| – Marketable securities                        | <b>3,325</b>   | 620            | –              | –              |
|                                                | <b>292,258</b> | 311,777        | <b>37,201</b>  | 35,500         |

**5. Cost of Sales**

|                                            | Group          |                |
|--------------------------------------------|----------------|----------------|
|                                            | 2010<br>RM'000 | 2009<br>RM'000 |
| Property development costs                 | <b>129,911</b> | 141,547        |
| Cost of inventories sold                   | <b>24,123</b>  | 32,483         |
| Cost of services rendered                  |                |                |
| – cost of recreation and resort operations | <b>13,732</b>  | 5,847          |
| – cost of property management              | <b>11,590</b>  | 4,305          |
| – cost of mall operations                  | <b>13,737</b>  | 9,986          |
|                                            | <b>193,093</b> | 194,168        |

**6. Interest Income**

|                                     | Group          |                | Company        |                |
|-------------------------------------|----------------|----------------|----------------|----------------|
|                                     | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Interest from loans and receivables | <b>5,003</b>   | 2,126          | <b>12,810</b>  | 87             |

Included in interest income from loans and receivables of the Company is unwinding of discount of RM12,786,000 on amount due from subsidiaries. The unwinding of discounts is derived based on the time value of expected repayment from the said subsidiaries.

## Notes to the Financial Statements

31 DECEMBER 2010

### 7. Other Income

|                                                        | Group          |                | Company        |                |
|--------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                        | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Rental income                                          | 6,799          | 6,118          | –              | –              |
| Fair value gains on financial instruments:             |                |                |                |                |
| – Marketable securities                                | 23,405         | 20,006         | –              | –              |
| Reversal of impairment loss on financial assets        |                |                |                |                |
| – Loans and receivables                                |                |                |                |                |
| – Subsidiaries                                         | –              | –              | 27,158         | –              |
| Reversal of provision for liability                    | 5,980          |                |                |                |
| Gain on disposal of marketable securities              | –              | 555            | –              | –              |
| Management fees                                        | 2,779          | 2,522          | 332            | 720            |
| Gain on disposal of a subsidiary                       | 1,170          | –              | –              | –              |
| Gain on disposal of property, plant and equipment      | 325            | –              | –              | –              |
| Gain on disposal of land held for property development | –              | 10,081         | –              | –              |
| Miscellaneous                                          | 587            | 7,877          | –              | 72             |
|                                                        | <b>41,045</b>  | <b>47,159</b>  | <b>27,490</b>  | <b>792</b>     |

### 8. Finance Costs

|                                          | Group          |                | Company        |                |
|------------------------------------------|----------------|----------------|----------------|----------------|
|                                          | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Interest expense on borrowings           | 9,820          | 9,865          | 282            | 1,195          |
| Interest expense on loan and receivables | 1,493          | –              | –              | –              |
| Less: Interest expense capitalised in    |                |                |                |                |
| – building-in-progress (Note 15)         | (3,649)        | (57)           | –              | –              |
| – development property (Note 16)         | (1,649)        | –              | –              | –              |
| – investment properties (Note 17)        | (14)           | (233)          | –              | –              |
|                                          | <b>6,001</b>   | <b>9,575</b>   | <b>282</b>     | <b>1,195</b>   |

**9. Profit/(Loss) Before Tax**

In addition to the items disclosed in Notes 6, 7 and 8, the following amounts have been included in arriving at profit/(loss) before tax:

|                                                             | <b>Group</b>   |               | <b>Company</b> |               |
|-------------------------------------------------------------|----------------|---------------|----------------|---------------|
|                                                             | <b>2010</b>    | <b>2009</b>   | <b>2010</b>    | <b>2009</b>   |
|                                                             | <b>RM'000</b>  | <b>RM'000</b> | <b>RM'000</b>  | <b>RM'000</b> |
| Employee benefits expense (Note 10)                         | <b>34,183</b>  | 31,252        | <b>174</b>     | 257           |
| Non-executive directors' remuneration (Note 11)             | <b>603</b>     | 985           | <b>381</b>     | 382           |
| Auditors' remuneration                                      |                |               |                |               |
| – Statutory audits                                          |                |               |                |               |
| – Current year                                              | <b>372</b>     | 328           | <b>60</b>      | 60            |
| – Prior year                                                | <b>41</b>      | 58            | <b>5</b>       | 5             |
| Depreciation of property, plant and equipment               | <b>8,902</b>   | 7,495         | <b>997</b>     | 255           |
| Amortisation of investment properties                       | <b>5,691</b>   | 4,400         | –              | –             |
| Minimum operating lease payments:                           |                |               |                |               |
| – office premises                                           | <b>94</b>      | 544           | <b>515</b>     | 199           |
| – office equipment                                          | <b>152</b>     | 116           | <b>92</b>      | 94            |
| Amortisation of endowment fund premium                      | <b>11</b>      | 11            | –              | –             |
| Bad debts written off                                       | <b>4</b>       | 60            | –              | –             |
| Impairment loss on financial assets – loans and receivables |                |               |                |               |
| – Trade and other receivables                               | <b>935</b>     | 330           | –              | –             |
| – Subsidiaries                                              | –              | –             | <b>81,240</b>  | 12,018        |
| Reversal of impairment loss on financial assets             |                |               |                |               |
| – Trade and other receivables                               | <b>(1,338)</b> | (69)          | –              | –             |
| Impairment loss in investment in subsidiaries               | –              | –             | –              | 286           |
| Provision for liabilities                                   | <b>68</b>      | 3,592         | –              | –             |
| Loss on disposal of marketable securities                   | <b>1,418</b>   | –             | –              | –             |
| Loss on disposal of property, plant and equipment           | –              | 35            | <b>68</b>      | –             |
| Property, plant and equipment written off                   | <b>224</b>     | 2             | <b>79</b>      | –             |
| Unrealised returns on endowment policy                      | <b>(201)</b>   | (195)         | –              | –             |
| Fair value loss on marketable securities                    | <b>12,267</b>  | –             | –              | –             |
| Net unrealised foreign exchange loss                        | <b>1,231</b>   | 407           | –              | –             |

## Notes to the Financial Statements

31 DECEMBER 2010

### 10. Employee Benefits Expense

|                                            | Group          |                | Company        |                |
|--------------------------------------------|----------------|----------------|----------------|----------------|
|                                            | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Salaries and bonuses                       | 26,997         | 24,029         | 34             | 80             |
| Social security contributions              | 226            | 188            | 1              | 1              |
| Contributions to defined contribution plan | 3,009          | 2,452          | 4              | 9              |
| Share options granted under ESOS           | 400            | 1,793          | –              | 82             |
| Other benefits                             | 3,751          | 2,790          | 135            | 85             |
|                                            | <b>34,183</b>  | 31,252         | <b>174</b>     | 257            |
| Less: Amount included in cost of sales     | <b>(8,636)</b> | –              | –              | –              |
|                                            | <b>34,183</b>  | 31,252         | <b>174</b>     | 257            |

Included in employee benefits expense of the Group is executive directors' remuneration amounting to RM7,598,000 (2009: RM6,241,000) as further disclosed in Note 11.

### 11. Directors' Remuneration

|                                  | Group          |                | Company        |                |
|----------------------------------|----------------|----------------|----------------|----------------|
|                                  | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Directors of the Company</b>  |                |                |                |                |
| Executive:                       |                |                |                |                |
| Salaries and other emoluments    | 3,796          | 3,031          | –              | –              |
| Bonus                            | 1,273          | 1,100          | –              | –              |
| Defined contribution plan        | 608            | 496            | –              | –              |
| Share options granted under ESOS | 358            | 364            | –              | –              |
|                                  | <b>6,035</b>   | 4,991          | –              | –              |
| Non-executive:                   |                |                |                |                |
| Fees                             | 256            | 328            | 256            | 312            |
| Other emoluments                 | 125            | 469            | 125            | 70             |
| Share options granted under ESOS | –              | 57             | –              | –              |
|                                  | <b>381</b>     | 854            | <b>381</b>     | 382            |

**11. Directors' Remuneration (Cont'd.)**

|                                             | Group          |                | Company        |                |
|---------------------------------------------|----------------|----------------|----------------|----------------|
|                                             | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Other directors</b>                      |                |                |                |                |
| Executive:                                  |                |                |                |                |
| Salaries and other emoluments               | 987            | 803            | –              | –              |
| Bonus                                       | 331            | 187            | –              | –              |
| Defined contribution plan                   | 157            | 119            | –              | –              |
| Share options granted under ESOS            | 88             | 141            | –              | –              |
|                                             | <b>1,563</b>   | 1,250          | –              | –              |
| Non-executive:                              |                |                |                |                |
| Fees                                        | 89             | 81             | –              | –              |
| Other emoluments                            | 133            | 50             | –              | –              |
|                                             | <b>222</b>     | 131            | –              | –              |
| <b>Total</b>                                | <b>8,201</b>   | 7,226          | <b>381</b>     | 382            |
| Analysis of directors' remuneration:        |                |                |                |                |
| Total executive directors' remuneration     | <b>7,598</b>   | 6,241          | –              | –              |
| Total non-executive directors' remuneration | <b>603</b>     | 985            | <b>381</b>     | 382            |
| <b>Total directors' remuneration</b>        | <b>8,201</b>   | 7,226          | <b>381</b>     | 382            |

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

|                           | Number of directors |      |
|---------------------------|---------------------|------|
|                           | 2010                | 2009 |
| Executive directors:      |                     |      |
| RM400,001 – RM450,000     | 1                   | –    |
| RM550,001 – RM600,000     | 1                   | –    |
| RM600,001 – RM650,000     | –                   | 1    |
| RM650,001 – RM700,000     | –                   | 1    |
| RM750,001 – RM800,000     | 1                   | –    |
| RM3,300,001 – RM3,350,000 | –                   | 1    |
| RM3,850,001 – RM3,900,000 | 1                   | –    |
| Non-executive directors   |                     |      |
| Below RM50,000            | 5                   | 2    |
| RM50,001 – RM100,000      | 2                   | 4    |
| RM100,001 – RM150,000     | –                   | 1    |
| RM150,001 – RM200,000     | 1                   | –    |
| RM350,001 – RM400,000     | –                   | 1    |

## Notes to the Financial Statements

31 DECEMBER 2010

### 12. Income Tax Expense

|                                                     | Group          |                | Company        |                |
|-----------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                     | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Current income tax:                                 |                |                |                |                |
| Malaysian income tax                                | 16,027         | 18,181         | 4,673          | 8,875          |
| Over provision in prior years                       | (583)          | (532)          | –              | (515)          |
|                                                     | 15,444         | 17,649         | 4,673          | 8,360          |
| Deferred tax (Note 33):                             |                |                |                |                |
| – Origination and reversal of temporary differences | (9,018)        | (3,371)        | –              | –              |
| – Over provision in prior years                     | (701)          | (1,626)        | –              | –              |
|                                                     | (9,719)        | (4,997)        | –              | –              |
| Total income tax expense                            | 5,725          | 12,652         | 4,673          | 8,360          |

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2009: 25%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2010 and 2009 are as follows:

|                                                                                     | 2010<br>RM'000 | 2009<br>RM'000 |
|-------------------------------------------------------------------------------------|----------------|----------------|
| <b>Group</b>                                                                        |                |                |
| Profit before tax                                                                   | 53,394         | 72,115         |
| Taxation at Malaysian statutory tax rate of 25% (2009: 25%)                         | 13,348         | 18,028         |
| Income not subject to tax                                                           | (6,337)        | (5,283)        |
| Expenses not deductible for tax purposes                                            | 5,262          | 9,086          |
| Utilisation of previously unrecognised tax losses and unabsorbed capital allowances | (5,264)        | (7,021)        |
| Overprovision of deferred tax in prior years                                        | (701)          | (1,626)        |
| Overprovision of tax expense in prior years                                         | (583)          | (532)          |
| Income tax expense                                                                  | 5,725          | 12,652         |
|                                                                                     | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Company</b>                                                                      |                |                |
| (Loss)/profit before tax                                                            | (10,342)       | 19,442         |
| Taxation at Malaysian statutory tax rate of 25% (2009: 25%)                         | (2,585)        | 4,861          |
| Income not subject to tax                                                           | (3,197)        | –              |
| Expenses not deductible for tax purposes                                            | 10,455         | 4,014          |
| Overprovision of tax expense in prior year                                          | –              | (515)          |
| Income tax expense                                                                  | 4,673          | 8,360          |

**12. Income Tax Expense (Cont'd.)**

Tax savings during the financial year arising from:

|                                               | <b>Group</b>           |                        |
|-----------------------------------------------|------------------------|------------------------|
|                                               | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> |
| Utilisation of previously unrecognised losses | <b>21,056</b>          | 28,084                 |

**13. Earnings Per Share**

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

Diluted earnings per share is calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 December:

|                                                                                                                                       | <b>Group</b>                  |                               |
|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|
|                                                                                                                                       | <b>2010<br/>RM'000</b>        | <b>2009<br/>RM'000</b>        |
| Profit net of tax attributable to owners of parent used in the computation of basic earnings per share and diluted earnings per share | <b>43,252</b>                 | 50,919                        |
|                                                                                                                                       | <b>No. of shares<br/>'000</b> | <b>No. of shares<br/>'000</b> |
| Weighted average number of ordinary shares for basic earnings per share computation                                                   | <b>454,381</b>                | 268,162                       |
| Effects of dilution:                                                                                                                  |                               |                               |
| – Share options                                                                                                                       | –                             | –                             |
| – Warrants 2009/2019                                                                                                                  | –                             | –                             |
| Weighted average number of ordinary shares for diluted earnings per share computation                                                 | <b>454,381</b>                | 268,162                       |

6,761,000 (2009: 8,541,900) share options granted to employees under the existing employee share option plans and warrants 2009/2019 have not been included in the calculation of diluted earnings per share because they are anti-dilutive.

There were no other transactions involving ordinary shares or potential ordinary shares since the reporting date and the date completion of these financial statements.

## Notes to the Financial Statements

31 DECEMBER 2010

### 14. Dividends

|                                                                                                          | Dividends in respect of Year |                |                | Dividends<br>Recognised in Year |                |
|----------------------------------------------------------------------------------------------------------|------------------------------|----------------|----------------|---------------------------------|----------------|
|                                                                                                          | 2010<br>RM'000               | 2009<br>RM'000 | 2008<br>RM'000 | 2010<br>RM'000                  | 2009<br>RM'000 |
| <b>Recognised during the year:</b>                                                                       |                              |                |                |                                 |                |
| First and final dividend for 2008:                                                                       |                              |                |                |                                 |                |
| 2 sen per share less 25%<br>taxation, on 259,625,583<br>ordinary shares<br>(1.50 sen per ordinary share) | –                            | –              | 3,894          | –                               | 3,894          |
| First and final dividend for 2009:                                                                       |                              |                |                |                                 |                |
| 3 sen per share less 25%<br>taxation, on 455,000,000<br>ordinary shares<br>(2.25 sen per ordinary share) | –                            | 10,237         | –              | <b>10,237</b>                   | –              |
| <b>Proposed for approval at AGM<br/>(not recognised as at<br/>31 December)</b>                           |                              |                |                |                                 |                |
| First and final dividend for 2010:                                                                       |                              |                |                |                                 |                |
| 5 sen per share less 25%<br>taxation, on 455,000,000<br>ordinary shares<br>(3.75 sen per ordinary share) | <b>17,063</b>                | –              | –              | –                               | –              |
|                                                                                                          | <b>17,063</b>                | 10,237         | 3,894          | <b>10,237</b>                   | 3,894          |

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 31 December 2010, of 5 sen less 25% taxation on 455,000,000 ordinary shares, amounting to a dividend payable of RM17,062,500 (3.75 sen per ordinary share) (subject to change on the number of ordinary shares entitled to dividend on date of book closure) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in the shareholders' equity in the financial year ending 31 December 2011.

**15. Property, Plant and Equipment**

| Group                                                     | Freehold<br>land<br>RM'000 | Leasehold<br>land<br>RM'000 | Leasehold<br>buildings<br>RM'000 | Buildings-<br>in-progress<br>RM'000 | Golf<br>course<br>RM'000 | Plant and<br>machinery<br>RM'000 | Office<br>furniture,<br>fittings and<br>equipment<br>RM'000 | Motor<br>vehicles<br>RM'000 | Total<br>RM'000 |
|-----------------------------------------------------------|----------------------------|-----------------------------|----------------------------------|-------------------------------------|--------------------------|----------------------------------|-------------------------------------------------------------|-----------------------------|-----------------|
| <b>At 31 December 2010</b>                                |                            |                             |                                  |                                     |                          |                                  |                                                             |                             |                 |
| <b>Cost</b>                                               |                            |                             |                                  |                                     |                          |                                  |                                                             |                             |                 |
| <b>At 1 January 2010</b>                                  | 5,198                      | 149,938                     | 82,885                           | 37,225                              | 46,796                   | 23,887                           | 20,891                                                      | 4,122                       | 370,942         |
| Additions                                                 | 127,044                    | 1,907                       | 84                               | 13,033                              | –                        | 2,316                            | 11,390                                                      | 1,888                       | 157,662         |
| Disposals                                                 | –                          | –                           | –                                | –                                   | –                        | –                                | (227)                                                       | (2,410)                     | (2,637)         |
| Write off                                                 | –                          | –                           | –                                | –                                   | –                        | (58)                             | (3,021)                                                     | (76)                        | (3,155)         |
| Reclassification                                          | –                          | –                           | 4,366                            | (4,366)                             | –                        | –                                | –                                                           | –                           | –               |
| Transfer from land held<br>for property development       | –                          | 13,154                      | –                                | –                                   | –                        | –                                | –                                                           | –                           | 13,154          |
| Transfer to investment property                           | (5,197)                    | –                           | –                                | (28,297)                            | –                        | –                                | (504)                                                       | –                           | (33,998)        |
| <b>At 31 December 2010</b>                                | <b>127,045</b>             | <b>164,999</b>              | <b>87,335</b>                    | <b>17,595</b>                       | <b>46,796</b>            | <b>26,145</b>                    | <b>28,529</b>                                               | <b>3,524</b>                | <b>501,968</b>  |
| <b>Accumulated depreciation<br/>and impairment losses</b> |                            |                             |                                  |                                     |                          |                                  |                                                             |                             |                 |
| <b>At 1 January 2010</b>                                  | –                          | 24,928                      | 24,232                           | 7                                   | 12,594                   | 17,785                           | 12,218                                                      | 2,840                       | 94,604          |
| Depreciation                                              | –                          | 1,279                       | 1,746                            | –                                   | 819                      | 1,615                            | 2,839                                                       | 604                         | 8,902           |
| Disposals                                                 | –                          | –                           | –                                | –                                   | –                        | –                                | (219)                                                       | (1,819)                     | (2,038)         |
| Write off                                                 | –                          | –                           | –                                | –                                   | –                        | (55)                             | (2,839)                                                     | (37)                        | (2,931)         |
| Reclassification                                          | –                          | –                           | 7                                | (7)                                 | –                        | –                                | –                                                           | –                           | –               |
| Transfer to investment property                           | –                          | –                           | –                                | –                                   | –                        | –                                | (43)                                                        | –                           | (43)            |
| <b>At 31 December 2010</b>                                | <b>–</b>                   | <b>26,207</b>               | <b>25,985</b>                    | <b>–</b>                            | <b>13,413</b>            | <b>19,345</b>                    | <b>11,956</b>                                               | <b>1,588</b>                | <b>98,494</b>   |
| <b>Net carrying amount</b>                                | <b>127,045</b>             | <b>138,792</b>              | <b>61,350</b>                    | <b>17,595</b>                       | <b>33,383</b>            | <b>6,800</b>                     | <b>16,573</b>                                               | <b>1,936</b>                | <b>403,474</b>  |

## Notes to the Financial Statements

31 DECEMBER 2010

### 15. Property, Plant and Equipment (Cont'd.)

| Group                                                     | Freehold<br>land<br>RM'000 | Leasehold<br>land<br>RM'000 | Leasehold<br>buildings<br>RM'000 | Buildings-<br>in-progress<br>RM'000 | Golf<br>course<br>RM'000 | Plant and<br>machinery<br>RM'000 | Office<br>furniture,<br>fittings and<br>equipment<br>RM'000 | Motor<br>vehicles<br>RM'000 | Total<br>RM'000 |
|-----------------------------------------------------------|----------------------------|-----------------------------|----------------------------------|-------------------------------------|--------------------------|----------------------------------|-------------------------------------------------------------|-----------------------------|-----------------|
| <b>Cost</b>                                               |                            |                             |                                  |                                     |                          |                                  |                                                             |                             |                 |
| At 1 January 2009                                         |                            |                             |                                  |                                     |                          |                                  |                                                             |                             |                 |
| As previously stated                                      | 5,179                      | –                           | 82,369                           | 18,561                              | 46,796                   | 20,766                           | 15,867                                                      | 3,610                       | 193,148         |
| Effects of adopting FRS117                                | –                          | 149,938                     | –                                | –                                   | –                        | –                                | –                                                           | –                           | 149,938         |
| At 1 January 2009 (restated)                              | 5,179                      | 149,938                     | 82,369                           | 18,561                              | 46,796                   | 20,766                           | 15,867                                                      | 3,610                       | 343,086         |
| Additions                                                 | –                          | –                           | 516                              | 18,664                              | –                        | 3,274                            | 5,197                                                       | 541                         | 28,192          |
| Disposals                                                 | –                          | –                           | –                                | –                                   | –                        | (153)                            | (170)                                                       | (33)                        | (356)           |
| Write off                                                 | –                          | –                           | –                                | –                                   | –                        | –                                | (3)                                                         | –                           | (3)             |
| Transfer from property<br>development costs               | 19                         | –                           | –                                | –                                   | –                        | –                                | –                                                           | –                           | 19              |
| Exchange differences                                      | –                          | –                           | –                                | –                                   | –                        | –                                | –                                                           | 4                           | 4               |
| At 31 December 2009                                       | 5,198                      | 149,938                     | 82,885                           | 37,225                              | 46,796                   | 23,887                           | 20,891                                                      | 4,122                       | 370,942         |
| <b>Accumulated depreciation<br/>and impairment losses</b> |                            |                             |                                  |                                     |                          |                                  |                                                             |                             |                 |
| At 1 January 2009                                         |                            |                             |                                  |                                     |                          |                                  |                                                             |                             |                 |
| As previously stated                                      | –                          | –                           | 22,580                           | –                                   | 11,775                   | 16,641                           | 11,028                                                      | 2,264                       | 64,288          |
| Effects of adopting FRS117                                | –                          | 23,103                      | –                                | –                                   | –                        | –                                | –                                                           | –                           | 23,103          |
| At 1 January 2009 (restated)                              | –                          | 23,103                      | 22,580                           | –                                   | 11,775                   | 16,641                           | 11,028                                                      | 2,264                       | 87,391          |
| Depreciation                                              | –                          | 1,825                       | 1,652                            | 7                                   | 819                      | 1,294                            | 1,320                                                       | 578                         | 7,495           |
| Disposals                                                 | –                          | –                           | –                                | –                                   | –                        | (150)                            | (129)                                                       | (3)                         | (282)           |
| Write off                                                 | –                          | –                           | –                                | –                                   | –                        | –                                | (1)                                                         | –                           | (1)             |
| Exchange differences                                      | –                          | –                           | –                                | –                                   | –                        | –                                | –                                                           | 1                           | 1               |
| At 31 December 2009                                       | –                          | 24,928                      | 24,232                           | 7                                   | 12,594                   | 17,785                           | 12,218                                                      | 2,840                       | 94,604          |
| <b>Net carrying amount</b>                                | <b>5,198</b>               | <b>125,010</b>              | <b>58,653</b>                    | <b>37,218</b>                       | <b>34,202</b>            | <b>6,102</b>                     | <b>8,673</b>                                                | <b>1,282</b>                | <b>276,338</b>  |

**15. Property, Plant and Equipment (Cont'd.)**

| Company                                               | Office<br>furniture,<br>fittings and<br>equipment<br>RM'000 | Motor<br>vehicles<br>RM'000 | Total<br>RM'000 |
|-------------------------------------------------------|-------------------------------------------------------------|-----------------------------|-----------------|
| <b>At 31 December 2010</b>                            |                                                             |                             |                 |
| <b>Cost</b>                                           |                                                             |                             |                 |
| At 1 January 2010                                     | 3,416                                                       | 497                         | 3,913           |
| Additions                                             | 6,283                                                       | –                           | 6,283           |
| Disposals                                             | –                                                           | (497)                       | (497)           |
| Write off                                             | (1,885)                                                     | –                           | (1,885)         |
| At 31 December 2010                                   | 7,814                                                       | –                           | 7,814           |
| <b>Accumulated depreciation and impairment losses</b> |                                                             |                             |                 |
| At 1 January 2010                                     | 2,906                                                       | 328                         | 3,234           |
| Depreciation                                          | 934                                                         | 63                          | 997             |
| Disposals                                             | –                                                           | (391)                       | (391)           |
| Write off                                             | (1,806)                                                     | –                           | (1,806)         |
| At 31 December 2010                                   | 2,034                                                       | –                           | 2,034           |
| <b>Net carrying amount</b>                            | <b>5,780</b>                                                | <b>–</b>                    | <b>5,780</b>    |
| <b>At 31 December 2009</b>                            |                                                             |                             |                 |
| <b>Cost</b>                                           |                                                             |                             |                 |
| At 1 January 2009                                     | 3,368                                                       | 497                         | 3,865           |
| Additions                                             | 48                                                          | –                           | 48              |
| At 31 December 2009                                   | 3,416                                                       | 497                         | 3,913           |
| <b>Accumulated depreciation and impairment losses</b> |                                                             |                             |                 |
| At 1 January 2009                                     | 2,736                                                       | 243                         | 2,979           |
| Depreciation                                          | 170                                                         | 85                          | 255             |
| At 31 December 2009                                   | 2,906                                                       | 328                         | 3,234           |
| <b>Net carrying amount</b>                            | <b>510</b>                                                  | <b>169</b>                  | <b>679</b>      |

## Notes to the Financial Statements

31 DECEMBER 2010

### 15. Property, Plant and Equipment (Cont'd.)

- a) The net carrying amounts of property, plant and equipment pledged as securities for borrowings (Note 36) are as follows:

|                               | Group          |                |
|-------------------------------|----------------|----------------|
|                               | 2010<br>RM'000 | 2009<br>RM'000 |
| Freehold land                 | 127,044        | 5,198          |
| Leasehold land                | 123,318        | 124,241        |
| Long term leasehold buildings | 57,298         | 58,653         |
| Golf course                   | 33,382         | 34,202         |
|                               | <b>341,042</b> | 222,294        |

- b) Interest expense capitalised during the financial year under building-in-progress of the Group amounted to RM3,649,000 (2009: RM57,000).
- c) The Group's building-in-progress relates to expenditure for a building in the course of construction.
- d) Included in property, plant and equipment of the Group are fully depreciated assets which are still in use costing RM24,599,985 (2009: RM23,699,654).
- e) The Group transferred a piece of leasehold land from land held for property development to property, plant and equipment as the land will be used as owner-occupied property.
- f) The Group transferred a portion of assets that relates to the carpark podium and office tower within property, plant and equipment to investment properties as these assets are not being considered as an owner-occupied property.

### 16. Land Held for Property Development and Property Development Costs

- (a) Land held for property development

|                                                     | Group          |                |
|-----------------------------------------------------|----------------|----------------|
|                                                     | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Cost</b>                                         |                |                |
| At 1 January:                                       |                |                |
| Freehold land                                       | 83,634         | 85,145         |
| Leasehold land                                      | 52,035         | 52,387         |
|                                                     | <b>135,669</b> | 137,532        |
| Additions                                           | 4,109          | 2,415          |
| Transfer to property development costs (Note 16(b)) | (8,499)        | (4,278)        |
| Transfer to property, plant and equipment           | (13,154)       | –              |
| At 31 December                                      | <b>118,125</b> | 135,669        |
| <b>Accumulated impairment losses</b>                |                |                |
| At 1 January/31 December                            | 6,412          | 6,412          |
| <b>Carrying amount at 31 December</b>               | <b>111,713</b> | 129,257        |

**16. Land Held for Property Development and Property Development Costs (Cont'd.)****(b) Property development costs**

|                                                                                     | <b>Group</b>     |               |
|-------------------------------------------------------------------------------------|------------------|---------------|
|                                                                                     | <b>2010</b>      | <b>2009</b>   |
|                                                                                     | <b>RM'000</b>    | <b>RM'000</b> |
| <b>Property development costs:</b>                                                  |                  |               |
| At 1 January                                                                        |                  |               |
| Freehold land                                                                       | <b>118,309</b>   | 118,309       |
| Leasehold land                                                                      | <b>219,228</b>   | 225,912       |
| Development costs                                                                   | <b>225,341</b>   | 137,471       |
|                                                                                     | <b>562,878</b>   | 481,692       |
| <b>Costs incurred during the year:</b>                                              |                  |               |
| Land costs                                                                          | <b>5,337</b>     | –             |
| Development costs                                                                   | <b>164,594</b>   | 107,518       |
|                                                                                     | <b>169,931</b>   | 107,518       |
| <b>Accumulated costs reversed during the year in respect of completed projects:</b> |                  |               |
| Leasehold land                                                                      | –                | (6,684)       |
| Development costs                                                                   | <b>(76,112)</b>  | (19,648)      |
|                                                                                     | <b>(76,112)</b>  | (26,332)      |
| <b>Costs recognised in income statement:</b>                                        |                  |               |
| At 1 January                                                                        | <b>(425,300)</b> | (310,085)     |
| Recognised during the year                                                          | <b>(129,911)</b> | (141,547)     |
| Accumulated costs reversed during the year in respect of completed projects         | <b>76,112</b>    | 26,332        |
| At 31 December                                                                      | <b>(479,099)</b> | (425,300)     |
| <b>Transfers from:</b>                                                              |                  |               |
| Land held for property development (Note 16(a))                                     | <b>8,499</b>     | 4,278         |
| <b>Transfers to:</b>                                                                |                  |               |
| Inventories                                                                         | <b>(4,374)</b>   | (5,287)       |
| Investment properties (Note 17)                                                     | –                | (303)         |
| Property, plant and equipment (Note 15)                                             | –                | (19)          |
|                                                                                     | <b>(4,374)</b>   | (5,609)       |
| <b>Property development costs at 31 December</b>                                    | <b>181,723</b>   | 136,247       |

Interest expense capitalised during the financial year under property development cost of the Group amounted to RM1,649,000 (2009: RMNil).

The freehold and leasehold land are pledged as securities for bank borrowings obtained as detailed in Note 36.

## Notes to the Financial Statements

31 DECEMBER 2010

### 17. Investment Properties

| Group                                                 | Freehold<br>land<br>RM'000 | Shopping mall<br>and carpark<br>podium<br>RM'000 | Office<br>tower<br>RM'000 | Total<br>RM'000 |
|-------------------------------------------------------|----------------------------|--------------------------------------------------|---------------------------|-----------------|
| <b>31 December 2010</b>                               |                            |                                                  |                           |                 |
| <b>Cost</b>                                           |                            |                                                  |                           |                 |
| At 1 January 2010                                     | 42,969                     | 240,135                                          | –                         | 283,104         |
| Addition                                              | –                          | 638                                              | 18,233                    | 18,871          |
| Transfer from property, plant and equipment (Note 15) | 5,197                      | 3,127                                            | 25,674                    | 33,998          |
| At 31 December 2010                                   | 48,166                     | 243,900                                          | 43,907                    | 335,973         |
| <b>Accumulated amortisation</b>                       |                            |                                                  |                           |                 |
| At 1 January 2010                                     | –                          | 4,549                                            | –                         | 4,549           |
| Charge for the year                                   | –                          | 4,857                                            | 834                       | 5,691           |
| Transfer from property, plant and equipment (Note 15) | –                          | –                                                | 43                        | 43              |
| At 31 December 2010                                   | –                          | 9,406                                            | 877                       | 10,283          |
| <b>Net carrying amount</b>                            | <b>48,166</b>              | <b>234,494</b>                                   | <b>43,030</b>             | <b>325,690</b>  |
| <b>31 December 2009</b>                               |                            |                                                  |                           |                 |
| <b>Cost</b>                                           |                            |                                                  |                           |                 |
| At 1 January 2009                                     | 42,666                     | 208,700                                          | –                         | 251,366         |
| Addition                                              | –                          | 31,435                                           | –                         | 31,435          |
| Transfer from property development costs (Note 16(b)) | 303                        | –                                                | –                         | 303             |
| At 31 December 2009                                   | 42,969                     | 240,135                                          | –                         | 283,104         |
| <b>Accumulated amortisation</b>                       |                            |                                                  |                           |                 |
| At 1 January 2009                                     | –                          | 149                                              | –                         | 149             |
| Charge for the year                                   | –                          | 4,400                                            | –                         | 4,400           |
| At 31 December 2009                                   | –                          | 4,549                                            | –                         | 4,549           |
| <b>Net carrying amount</b>                            | <b>42,969</b>              | <b>235,586</b>                                   | <b>–</b>                  | <b>278,555</b>  |

Interest expense capitalised during the financial year under investment properties of the Group amounted to RM14,000 (2009: RM233,000).

The freehold land is pledged as a security for bank borrowings obtained as detailed in Note 36.

Fair value of investment properties were estimated by the directors based on professional valuation report by Mr. Foo Gee Jen, a partner with CH Williams Talhar & Wong by using the comparison method of valuation. As at 31 December 2010, the fair values of the investment properties were estimated to be RM356,000,000 (2009: RM286,300,000).

During the financial year, the Group transferred a portion of assets that relates to the carpark podium and office tower within property, plant and equipment as they are not being considered as an owner-occupied property.

**18. Investments in Subsidiaries**

|                                           | Company        |                |
|-------------------------------------------|----------------|----------------|
|                                           | 2010<br>RM'000 | 2009<br>RM'000 |
| Shares, at cost In Malaysia               | 244,894        | 244,887        |
| Less: Impairment losses                   | (6,023)        | (6,023)        |
|                                           | 238,871        | 238,864        |
| ESOS granted to employees of subsidiaries | 6,085          | 5,684          |
| Discount on loans to subsidiaries         | 40,387         | –              |
|                                           | 285,343        | 244,548        |

Details of the subsidiaries are as follows:

| Name of subsidiaries                                                                                | Country of incorporation | Equity interest Held (%) |      | Principal activities                         |
|-----------------------------------------------------------------------------------------------------|--------------------------|--------------------------|------|----------------------------------------------|
|                                                                                                     |                          | 2010                     | 2009 |                                              |
| Accroway Sdn. Bhd.                                                                                  | Malaysia                 | 100                      | 100  | Investment holding                           |
| Arah Pelangi Sdn. Bhd.                                                                              | Malaysia                 | 100                      | 100  | Property holding                             |
| Aspek Analisa Sdn. Bhd.*                                                                            | Malaysia                 | 100                      | 100  | Property development                         |
| Dijaya Management Services Sdn. Bhd.*                                                               | Malaysia                 | 100                      | 100  | Property management and maintenance services |
| Dijaya Property Sdn. Bhd.                                                                           | Malaysia                 | 100                      | 100  | Property development                         |
| Terbit Berkas Sdn. Bhd.                                                                             | Malaysia                 | 100                      | 100  | Investment holding                           |
| Tropicana Land Sdn. Bhd.                                                                            | Malaysia                 | 100                      | 100  | Dormant                                      |
| Dijaya Development Sdn. Bhd.*                                                                       | Malaysia                 | 100                      | 100  | Investment holding                           |
| Dijaya Credit & Leasing Sdn. Bhd.*                                                                  | Malaysia                 | 100                      | 100  | Credit and leasing                           |
| Bright Phase Sdn. Bhd.*                                                                             | Malaysia                 | –                        | 100  | Investment holding                           |
| Dijaya Tropicana Danga Bay Sdn. Bhd.<br>(formerly known as<br>Nagasari Cergas Sdn. Bhd.) (“DTDBSB”) | Malaysia                 | 100                      | 100  | Investment holding                           |
| <b>Subsidiaries of DTDBSB:</b>                                                                      |                          |                          |      |                                              |
| Tropicana Danga Bay Sdn. Bhd.<br>(formerly known as Goldhill<br>Quest Sdn. Bhd.)                    | Malaysia                 | 60                       | –    | Property development                         |

## Notes to the Financial Statements

31 DECEMBER 2010

### 18. Investments in Subsidiaries (Cont'd.)

| Name of subsidiaries                             | Country of incorporation | Equity interest Held (%) |      | Principal activities                                                |
|--------------------------------------------------|--------------------------|--------------------------|------|---------------------------------------------------------------------|
|                                                  |                          | 2010                     | 2009 |                                                                     |
| Subsidiaries of DTDBSB (Cont'd)                  |                          |                          |      |                                                                     |
| Desiran Realiti Sdn. Bhd.*                       | Malaysia                 | 100                      | 100  | Investment holding                                                  |
| Seleksi Kembara Sdn. Bhd. ("SKSB")*              | Malaysia                 | 100                      | 100  | Investment holding                                                  |
| Subsidiary of SKSB:                              |                          |                          |      |                                                                     |
| Dijaya Wangsa Sdn. Bhd.*                         | Malaysia                 | 60                       | 60   | Dormant                                                             |
| Sumber Saujana Sdn. Bhd. ("SSSB")                | Malaysia                 | 100                      | 100  | Investment holding                                                  |
| Subsidiary of SSSB:                              |                          |                          |      |                                                                     |
| Sinbor Corporation Sdn. Bhd.                     | Malaysia                 | 100                      | 100  | Investment holding                                                  |
| Tropicana Golf & Country Resort Berhad ("TGCRB") | Malaysia                 | 100                      | 100  | Real property and resort development                                |
| Subsidiaries of TGCRB:                           |                          |                          |      |                                                                     |
| Tropicana Management Services Sdn. Bhd.*         | Malaysia                 | 100                      | 100  | Property management and maintenance services                        |
| Nadi Jelita Sdn. Bhd.                            | Malaysia                 | 100                      | 100  | Property development                                                |
| Puncak Suria Sdn. Bhd.                           | Malaysia                 | 100                      | 100  | Property development                                                |
| Mawar Hebat Sdn. Bhd.                            | Malaysia                 | 100                      | 100  | Property holding                                                    |
| Bakat Rampai Sdn. Bhd. ("BRSB")                  | Malaysia                 | 100                      | 100  | Investment holding                                                  |
| Subsidiaries of BRSB:                            |                          |                          |      |                                                                     |
| Tropicana City Sdn. Bhd. ("TCSB")                | Malaysia                 | 100                      | 100  | Property development and property investment in Tropicana City Mall |
| Subsidiaries of TCSB:                            |                          |                          |      |                                                                     |
| Dicasa Management Services Sdn. Bhd.*            | Malaysia                 | 100                      | 100  | Property management and maintenance services                        |
| Tropicana Mall Management Sdn. Bhd.* ("TMMSB")   | Malaysia                 | 100                      | 100  | Investment holding                                                  |

**18. Investments in Subsidiaries (Cont'd.)**

| Name of subsidiaries                                                           | Country of incorporation | Equity interest Held (%) |      | Principal activities                 |
|--------------------------------------------------------------------------------|--------------------------|--------------------------|------|--------------------------------------|
|                                                                                |                          | 2010                     | 2009 |                                      |
| Subsidiary of TMMSB:                                                           |                          |                          |      |                                      |
| Atlantic Marketing Sdn. Bhd.*                                                  | Malaysia                 | 100                      | 100  | Dormant                              |
| Tropicana City Management Sdn. Bhd.*                                           | Malaysia                 | 100                      | 100  | Property management                  |
| Tropicana City Parking Sdn. Bhd.                                               | Malaysia                 | 100                      | 100  | Management of car parking facilities |
| Tropicana City Service Suites Sdn. Bhd.*                                       | Malaysia                 | 100                      | 100  | Property management                  |
| Dicorp Land Sdn. Bhd.                                                          | Malaysia                 | 100                      | 100  | Property development                 |
| Irama Sejati Sdn. Bhd. (“IRSB”)*                                               | Malaysia                 | 100                      | 100  | Investment holding                   |
| Subsidiary of IRSB:                                                            |                          |                          |      |                                      |
| Tropicana Indah Sdn. Bhd.*                                                     | Malaysia                 | 70                       | 70   | Property development                 |
| Star Honour Limited*                                                           | Cayman Islands           | 100                      | –    | Investment holding                   |
| Dijaya (Mauritius) Limited (“DML”)*                                            | Mauritius                | 100                      | 100  | Investment holding                   |
| Subsidiary of DML:                                                             |                          |                          |      |                                      |
| Dijaya-Malind JV (Mauritius) Limited* (“DMJVML”)                               | Mauritius                | 72                       | 72   | Investment holding                   |
| Subsidiary of DMJVML:                                                          |                          |                          |      |                                      |
| Dijaya-Malind Properties (India) Private Limited*                              | India                    | 74                       | 74   | Property development                 |
| Tropicana Education Sdn Bhd (formerly known as Autumn Craft Sdn Bhd)           | Malaysia                 | 100                      | –    | Dormant                              |
| Tropicana Education Management Sdn Bhd (formerly known as Simpang Ria Sdn Bhd) | Malaysia                 | 70                       | –    | Education                            |

All subsidiaries are audited by Ernst & Young, Malaysia except as indicated below:

\* Audit by firms other than Ernst & Young

## Notes to the Financial Statements

31 DECEMBER 2010

### 18. Investments in Subsidiaries (Cont'd.)

#### Acquisition of subsidiaries

On 24 May 2010, the Company acquired the entire issued and paid-up share capital of Tropicana Education Sdn. Bhd.(formerly known as Autumn Craft Sdn. Bhd.), for a cash consideration of RM2.

On 15 July 2010, the Company has acquired the entire issued and paid-up share capital of Star Honour Limited ("SHL") for a cash consideration of USD2,350 (equivalent of RM6,580).

On 2 August 2010, the Company's wholly owned subsidiary Dijaya Tropicana Danga Bay Sdn. Bhd. (formerly known as Nagasari Cerdas Sdn Bhd) acquired 60% of the issued and paid-up share capital of Tropicana Danga Bay Sdn. Bhd. (formerly known as Goldhill Quest Sdn. Bhd.), comprising 600,000 ordinary shares of RM1.00 each for a cash consideration of RM600,000.

On 10 November 2010, the Company acquired 49,000 ordinary shares of RM1.00 each in the share capital of Tropicana Education Management Sdn Bhd ("TEMSB") (formerly known as Simpang Ria Sdn. Bhd.), representing 49% of the total issued and paid-up share capital of TEMSB at a total cash consideration of RM2 only. On 30 December 2010, the Company acquired an additional 21,000 ordinary shares of RM1.00 each in the share capital of TEMSB, representing 21% of the total issued and paid-up share capital of TEMSB, at a total cash consideration of RM2.00 only (collectively referred to as "the Acquisitions"). With the Acquisitions, TEMSB has become a 70% owned subsidiary of the Company.

The fair values of the identifiable assets and liabilities of the acquisition as at the date of acquisition were:

|                              | <b>Fair value<br/>RM'000</b> | <b>Carrying<br/>Amount<br/>RM'000</b> |
|------------------------------|------------------------------|---------------------------------------|
| Cash at banks                | 3                            | 3                                     |
| Other payables               | 109                          | 109                                   |
| Net identifiable liabilities | (106)                        | (106)                                 |

Total effect of the acquisition on cash flows is as follows:

|                                                        | <b>RM'000</b> |
|--------------------------------------------------------|---------------|
| Consideration settled in cash                          | 6             |
| Less: cash and cash equivalents of subsidiary acquired | 3             |
| Net cash inflow on acquisition                         | 3             |

**18. Investments in Subsidiaries (Cont'd.)**Disposal of subsidiaries

On 24 December 2010, the Group disposed off 100% of its equity interest of Bright Phase Sdn Bhd ("Bright Phase") a company incorporated in Malaysia, for a total cash consideration of RM2. The effect of the said disposal on the result and financial position of the Group are summarised as follows:

|                                                  | 2010<br>RM'000 | 2009<br>RM'000 |
|--------------------------------------------------|----------------|----------------|
| <b>Net assets disposed</b>                       |                |                |
| Investment in associates                         | 32,530         | 32,529         |
| Cash and bank balances                           | 2              | 5              |
| Other payables                                   | (33,702)       | (33,702)       |
| Net liabilities of subsidiary company            | (1,170)        | (1,168)        |
| Total disposal proceeds                          | –              |                |
| Gain on disposal to the Group                    | (1,170)        |                |
| Cash inflow arising on disposals                 | –              |                |
| Cash and cash equivalents of subsidiary disposed | (2)            |                |
| Net cash outflow on disposal                     | (2)            |                |

**19. Investments in Associates**

|                                   | 2010<br>RM'000 | Group<br>2009<br>RM'000 |
|-----------------------------------|----------------|-------------------------|
| In Malaysia:                      |                |                         |
| Unquoted shares at cost           | 6,089          | 30,489                  |
| Share of post-acquisition reserve | 19,646         | 24,677                  |
|                                   | 25,735         | 55,166                  |
| Represented by:                   |                |                         |
| Share of net assets               | 25,395         | 19,874                  |

Details of the associates are as follows:

| Name of associates                     | Country of incorporation | Equity interest Held (%) |      | Principal activities                                                   |
|----------------------------------------|--------------------------|--------------------------|------|------------------------------------------------------------------------|
|                                        |                          | 2010                     | 2009 |                                                                        |
| Tenaga Kimia Sdn. Bhd.                 | Malaysia                 | 33                       | 33   | Manufacture and sale of explosives, chemicals and blasting accessories |
| South Johor Equities Sdn. Bhd. ("SJE") | Malaysia                 | –                        | 30.5 | Dormant                                                                |

## Notes to the Financial Statements

31 DECEMBER 2010

### 19. Investments in Associates (Cont'd.)

The summarised financial information of the associates are as follows:

|                               | 2010<br>RM'000 | Group<br>2009<br>RM'000 |
|-------------------------------|----------------|-------------------------|
| <b>Assets and liabilities</b> |                |                         |
| Current assets                | 82,263         | 75,072                  |
| Non-current assets            | 14,264         | 12,782                  |
| <b>Total assets</b>           | <b>96,526</b>  | <b>87,854</b>           |
| Current liabilities           | 19,285         | 26,557                  |
| Non-current liabilities       | 286            | 1,194                   |
| <b>Total liabilities</b>      | <b>19,571</b>  | <b>27,751</b>           |
| <b>Results</b>                |                |                         |
| Revenue                       | 131,908        | 136,456                 |
| Profit for the year           | 20,016         | 15,084                  |
| <b>Share of profit</b>        | <b>6,605</b>   | <b>4,978</b>            |

On 24 December 2010, the Group disposed off its investment in South Johor Equity Sdn. Bhd. with the disposal of Bright Phase Sdn. Bhd. ("Bright Phase") on the even date (Note 18). Bright Phase was previously a wholly owned subsidiary of the Company.

### 20. Marketable Securities

|                                               | Group              |                                           |                     |                                           |
|-----------------------------------------------|--------------------|-------------------------------------------|---------------------|-------------------------------------------|
|                                               | 2010<br>RM'000     |                                           | 2009<br>RM'000      |                                           |
|                                               | Carrying<br>Amount | Market<br>Rate of<br>Quoted<br>Investment | Carrying<br>Amount* | Market<br>Rate of<br>Quoted<br>Investment |
| <b>Non-current</b>                            |                    |                                           |                     |                                           |
| Fair value through profit or loss investments |                    |                                           |                     |                                           |
| Quoted shares in Malaysia,                    | 56,780             | 56,780                                    | 36,971              | 36,971                                    |
| <b>Current</b>                                |                    |                                           |                     |                                           |
| Fair value through profit or loss investments |                    |                                           |                     |                                           |
| Quoted shares in Malaysia,                    | 36,906             | 36,906                                    | 29,902              | 31,448                                    |

\* Prior to 1 January 2010, the current investments were carried at lower of cost and market value. The non-current investments were stated at costs less impairment.

**21. Other Investments**

|                                              | Group          |                | Company        |                |
|----------------------------------------------|----------------|----------------|----------------|----------------|
|                                              | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Transferable corporate golf club memberships | 587            | 587            | 587            | 587            |
| Less: Accumulated impairment loss            | (275)          | (275)          | (275)          | (275)          |
|                                              | 312            | 312            | 312            | 312            |

**22. Security Retainers Accumulation Fund**

|                                 | Group          |                |
|---------------------------------|----------------|----------------|
|                                 | 2010<br>RM'000 | 2009<br>RM'000 |
| At 1 January                    | 3,042          | 2,858          |
| Unrealised returns              | 201            | 195            |
|                                 | 3,243          | 3,053          |
| Less: Amortisation for the year | (11)           | (11)           |
| At 31 December                  | 3,232          | 3,042          |

The security retainers accumulation fund of the golf and country resort of the Group relates to the unamortised portion of the single premium paid for the purchase of a 'Group Endowment with Profits' policy from a local insurer in 1994 and the unrealised returns which accrues to this policy on a cumulative basis, annually.

The total accumulated returns together with the insured sum will only be received upon maturity of the said policy on 2 October 2051. The purpose of this scheme is to provide the Group with funds to repay the security retainers received from members of the golf and country resort of the Group, who were registered prior to January 1993, at the end of their membership license term on 9 October 2051.

**23. Intangible Assets**

|                                  | Group          |                |
|----------------------------------|----------------|----------------|
|                                  | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Goodwill on consolidation</b> |                |                |
| <b>Cost</b>                      |                |                |
| At 1 January/ 31 December        | 7,411          | 7,411          |
| <b>Accumulated impairment</b>    |                |                |
| At 1 January/31 December         | (4,069)        | (4,069)        |
| <b>Net carrying amount</b>       | 3,342          | 3,342          |

## Notes to the Financial Statements

31 DECEMBER 2010

### 23. Intangible Assets (Cont'd.)

#### Impairment test of goodwill

Goodwill has been allocated to the Group's CGUs identified according to business segments as follows:

|                      | 2010<br>RM'000 | 2009<br>RM'000 |
|----------------------|----------------|----------------|
| Investment holding   | 933            | 933            |
| Property development | 2,409          | 2,409          |
|                      | <b>3,342</b>   | <b>3,342</b>   |

#### (a) Key assumptions used in value-in-use calculations

The recoverable amounts of the CGUs have been determined based on a value-in-use calculations using cash flow projections based on financial budgets approved by management.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

##### (i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margin is the average rate achieved in the year immediately before the budgeted year increased for expected efficiency improvements

##### (ii) Discount rate

The discount rates used are pre-tax of (6%) and reflect specific risks relating to the relevant segments.

#### (b) Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the CGUs, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the unit to materially differ from its recoverable amount.

### 24. Inventories

|                              | 2010<br>RM'000 | Group<br>2009<br>RM'000 |
|------------------------------|----------------|-------------------------|
| <b>At cost</b>               |                |                         |
| Properties held for sale     | 32,370         | 52,523                  |
| Consumable stores and spares | 874            | 876                     |
|                              | <b>33,244</b>  | <b>53,399</b>           |

The Group's cost of inventories recognised as an expense during the year in the Group amounted to RM25,011,148 (2009: RM27,883,000).

**25. Trade and Other Receivables**

|                                | <b>Group</b>   |               | <b>Company</b>   |               |
|--------------------------------|----------------|---------------|------------------|---------------|
|                                | <b>2010</b>    | <b>2009</b>   | <b>2010</b>      | <b>2009</b>   |
|                                | <b>RM'000</b>  | <b>RM'000</b> | <b>RM'000</b>    | <b>RM'000</b> |
| <b>Current</b>                 |                |               |                  |               |
| <b>Trade receivables</b>       |                |               |                  |               |
| Third parties                  | <b>24,793</b>  | 63,836        | –                | –             |
| Less: Allowance for impairment | <b>(2,476)</b> | (2,961)       | –                | –             |
| Trade receivables, net         | <b>22,317</b>  | 60,875        | –                | –             |
| <b>Other receivables</b>       |                |               |                  |               |
| Amount due from subsidiaries   | –              | –             | <b>482,521</b>   | 713,754       |
| Sundry receivables             | <b>16,318</b>  | 6,002         | <b>46</b>        | 126           |
| Deposits                       | <b>40,861</b>  | 15,715        | <b>15</b>        | 153           |
| Less: Allowance for impairment |                |               |                  |               |
| – Sundry receivables           | <b>(683)</b>   | (601)         | <b>(2)</b>       | (2)           |
| – Subsidiaries                 | –              | –             | <b>(188,742)</b> | (134,660)     |
|                                | <b>56,496</b>  | 21,116        | <b>293,974</b>   | 579,371       |
|                                | <b>78,813</b>  | 81,991        | <b>293,974</b>   | 579,371       |
| <b>Non-current</b>             |                |               |                  |               |
| <b>Other receivables</b>       |                |               |                  |               |
| Amount due from subsidiaries   | –              | –             | <b>155,711</b>   | –             |

**(a) Trade receivables**

The Group's normal trade credit term ranges from 14 to 120 days (2009: 14 to 120 days). Other credit terms are assessed and approved on a case-to-case basis. Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

## Notes to the Financial Statements

31 DECEMBER 2010

### 25. Trade and Other Receivables (Cont'd.)

#### (a) Trade receivables (cont'd.)

##### Ageing analysis of trade receivables

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

|                                              | Group          |                |
|----------------------------------------------|----------------|----------------|
|                                              | 2010<br>RM'000 | 2009<br>RM'000 |
| Neither past due nor impaired                | 4,263          | 38,650         |
| 1 to 30 days past due but not impaired       | 4,614          | 10,798         |
| 31 to 60 days past due but not impaired      | 2,065          | 2,170          |
| 61 to 90 days past due but not impaired      | 873            | 1,331          |
| 91 to 120 days past due but not impaired     | 690            | 2,193          |
| More than 121 days past due but not impaired | 9,812          | 5,733          |
|                                              | 18,054         | 22,225         |
| Impaired                                     | 2,476          | 2,961          |
|                                              | 24,793         | 63,836         |

##### Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

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

##### Receivables that are past due but not impaired

The receivables that are past due but not impaired are unsecured in nature. However, the directors are of the opinion that these debts should be realised in full without material losses in the ordinary course of business.

##### Receivables that are impaired

The Group's trade receivables that are individually impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

|                                    | Group<br>Individually impaired |                |
|------------------------------------|--------------------------------|----------------|
|                                    | 2010<br>RM'000                 | 2009<br>RM'000 |
| Trade receivables – nominal amount | 2,476                          | 2,961          |
| Less: Allowance for impairment     | (2,476)                        | (2,961)        |
|                                    | –                              | –              |

**25. Trade and Other Receivables (Cont'd.)****(a) Trade receivables (cont'd.)**

Movement in allowance accounts:

|                          | <b>Group</b>           |                        |
|--------------------------|------------------------|------------------------|
|                          | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> |
| At 1 January             | <b>2,961</b>           | 2,844                  |
| Addition during the year | <b>853</b>             | 186                    |
| Reversal for the year    | <b>(1,338)</b>         | (69)                   |
| At 31 December           | <b>2,476</b>           | 2,961                  |

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The amounts due from subsidiaries are non-trade in nature, unsecured, interest free and have no fixed terms of repayment. Further details on related party transactions are disclosed in Note 40.

**(b) Other receivables**

The Group has no significant concentration of credit risk included under sundry receivables that may arise from exposures to a single debtor or to groups of debtors except for debts due from subsidiaries.

Included in deposit is deposit paid of RM30,846,842 for the acquisition of land in Tropicana Danga Bay Sdn Bhd as detailed in Note 47.

Other receivables that are impaired

Movement in allowance accounts:

|                        | <b>Group</b>           |                        | <b>Company</b>         |                        |
|------------------------|------------------------|------------------------|------------------------|------------------------|
|                        | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> |
| At 1 January           | <b>601</b>             | 457                    | <b>134,660</b>         | 122,642                |
| Provision for the year | <b>82</b>              | 144                    | <b>81,240</b>          | 12,018                 |
| Reversal for the year  | –                      | –                      | <b>(17,893)</b>        | –                      |
| At 31 December         | <b>683</b>             | 601                    | <b>198,007</b>         | 134,660                |

## Notes to the Financial Statements

31 DECEMBER 2010

### 26. Other Current Assets

|                                                           | Group          |                | Company        |                |
|-----------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                           | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Prepayments                                               | 874            | 838            | 47             | 24             |
| Accrued billings in respect of property development costs | 10,541         | 37,047         | –              | –              |
|                                                           | <b>11,415</b>  | <b>37,885</b>  | <b>47</b>      | <b>24</b>      |

### 27. Cash and Cash Equivalents

|                                                       | Group          |                | Company        |                |
|-------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                       | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Deposits with licensed banks                          | 158,665        | 133,079        | 988            | 966            |
| Cash on hand and at banks                             | 81,921         | 167,540        | 927            | 134            |
| Cash and bank balances                                | <b>240,586</b> | <b>300,619</b> | <b>1,915</b>   | <b>1,100</b>   |
| <b>For the purpose of the cash flow:</b>              |                |                |                |                |
| Cash and bank balances                                | 240,586        | 300,619        | 1,915          | 1,100          |
| Less: Cash and cash equivalents not available for use | (7,846)        | (3,507)        | –              | –              |
| Bank overdraft (Note 36)                              | –              | (9,274)        | –              | (9,274)        |
| Total cash and cash equivalents                       | <b>232,740</b> | <b>287,838</b> | <b>1,915</b>   | <b>(8,174)</b> |

The interest rates for the balance of deposits with licensed banks ranged from 1.20% to 3.38% (2009: 1.50% to 3.15%) per annum and the maturities of deposits as at the end of the financial year ranged from 7 to 365 days (2009: 30 to 365 days).

Included in cash at banks of the Group are amounts of RM44,667,876 (2009: RM88,581,235) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.

Included in deposits with licensed banks of the Group are:

- Deposits held in trust by a trustee of RM2,286,000 (2009: RM3,404,000), representing cash and cash equivalents not available for use.; and
- Deposits amounting to RM5,560,000 (2009: RM103,000) which were pledged as security for bank guarantees granted to the Group.

**28. Share Capital and Share Premium**

|                                  |                                            | Number of ordinary shares of RM1 each |                           |                           |                           |
|----------------------------------|--------------------------------------------|---------------------------------------|---------------------------|---------------------------|---------------------------|
|                                  |                                            | 2010                                  | 2009                      |                           |                           |
|                                  |                                            | '000                                  | '000                      |                           |                           |
| <b>Authorised:</b>               |                                            |                                       |                           |                           |                           |
| At 1 January/ 31 December        |                                            |                                       |                           | 1,000,000                 | 1,000,000                 |
|                                  |                                            |                                       |                           |                           |                           |
|                                  | Number of ordinary shares                  | Amount                                |                           |                           |                           |
|                                  | Share capital (Issued and fully paid) '000 | 2010 Share capital RM'000             | 2009 Share capital RM'000 | 2010 Share premium RM'000 | 2009 Share premium RM'000 |
| <b>Issued and fully paid:</b>    |                                            |                                       |                           |                           |                           |
| At 1 January                     | 454,345                                    | <b>454,345</b>                        | 259,626                   | <b>363,741</b>            | 402,685                   |
| Issue of ordinary shares         |                                            |                                       |                           |                           |                           |
| – First call of RM0.80           | –                                          | –                                     | 155,775                   | –                         | –                         |
| – Second call of RM0.20          | –                                          | –                                     | 38,944                    | –                         | (38,944)                  |
| Ordinary shares pursuant to ESOS | 655                                        | <b>655</b>                            | –                         | <b>72</b>                 | –                         |
| At 31 December                   | 455,000                                    | <b>455,000</b>                        | 454,345                   | <b>363,813</b>            | 363,741                   |

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company residual assets.

During the financial year, the Company increased its issued and paid-up ordinary shares capital from RM454,344,770 to issue RM455,000,000 by way of issuance of 655,230 ordinary shares of RM1 each for cash pursuant to the Company's Employee Share Options Scheme at the exercise price of RM1.11 per ordinary shares. The share premium arising there from amounted to RM72,075.

**29. Other Reserves****a) Foreign currency translation reserve**

The foreign currency translation reserve represents 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.

**b) Share options reserve**

Employee share option reserve represents the equity-settled share options granted to employees (Note 31). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

## Notes to the Financial Statements

31 DECEMBER 2010

### 29. Other Reserves (Cont'd.)

#### c) Warrants reserve 2009/2019

On 9 December 2009, the Company issued 129,812,791 free detachable Warrants 2009/2019.

The main features of the Warrants are as follows:

- a) Each Warrant entitles the holder to subscribe for 1 new ordinary share of RM1.00 each in Dijaya at a price of RM1.00 per share;
- b) The Warrants may be exercised at any time up to 9 December 2019; and
- c) The shares arising from the exercise of Warrants shall rank pari passu in all respect with the existing ordinary shares of the Company, save and except that the new shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the allotment date of the new shares.

As at the reporting date, all Warrants issued remain unexercised.

### 30. Sinking Fund

|                                       | Group          |                |
|---------------------------------------|----------------|----------------|
|                                       | 2010<br>RM'000 | 2009<br>RM'000 |
| At 1 January                          | 3,213          | 2,495          |
| Additions                             | 897            | 1,016          |
| Claims made during the financial year | (1,900)        | (189)          |
| Transfer to other payables            | –              | (109)          |
| At 31 December                        | 2,210          | 3,213          |

Sinking fund of the Group is established for the purpose of covering costs of periodic major repairs or capital replacements in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from members during the year are credited to this reserve.

### 31. Employee Share Options Scheme ("ESOS")

The Dijaya's Employee Share Options Scheme ("ESOS") was implemented on 21 September 2005 and is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 24 June 2005.

The salient terms of the new ESOS are as follows:

- (i) The Option Committee has the full discretion in determining the eligibility of executive directors and employees of the Group to participate in the ESOS provided that they are at the date of offer at least eighteen years of age and are employed by the Group and have served at least one continuous year with the Group and have been confirmed their positions in writing.
- (ii) The ESOS shall be in force for a period of 10 years from 21 September 2005 to 20 September 2015.

**31. Employee Share Options Scheme ("ESOS") (Cont'd.)**

- (iii) The total number of shares to be issued under the ESOS shall not exceed in aggregate 10% of the issued share capital of the Company at any point of time during the tenure of the ESOS and out of which not more than 50% of the shares shall be allocated, in aggregate, to eligible executive directors and senior management. In addition, not more than 10% of the shares available under the ESOS shall be allocated to any individual eligible executive director or employee who, either singly or collectively through person connected to them, holds 20% or more in the issued and paid-up capital of the Company.
- (iv) No options shall be granted for less than 1,000 shares or more than the maximum allowable allotment of shares.
- (v) The options shall become exercisable to the extent of one-fourth of the shares granted on the grant date and subsequently on each of the first three anniversaries from the date of grant provided that the option holder is in the employment of the Group from the Date of Offer to the Date of Expiry.
- (vi) The option price for each share shall be the weighted average of the share market price as quoted in the Daily Official List issued by Bursa Malaysia Securities Berhad for the 5 market days preceding the date on which the option is offered, with a discount that does not exceed 10% or such other percentage of discount as may be permitted by Bursa Malaysia Securities Berhad or any other relevant authorities from time to time during the period of ESOS or at the par value of the shares of RM1 each, whichever is higher.
- (vii) An offer made by the Option Committee shall be valid for a period of forty-five days from the date of offer and may be accepted within this prescribed period by the eligible employees to whom the offer is made by written notice to the Option Committee of such acceptance accompanied by a payment to the Company of a nominal non-refundable sum of RM1.00 as consideration for the grant of the option. If the offer is not accepted in the manner aforesaid, such offer shall upon the expiry of the said forty-five days automatically lapse and be null and void and of no further force and effect.
- (viii) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the then existing ordinary shares of the Company except that they will not be entitled to any dividend declared prior to the date of allotment.

Movement of share options during the financial year

The following table illustrates the number ("No.") and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year:

|                                 | Group              |             |           |           |
|---------------------------------|--------------------|-------------|-----------|-----------|
|                                 | 2010               |             | 2009      |           |
|                                 | No.                | WAEP (RM)   | No.       | WAEP (RM) |
| Outstanding at 1 January 2010   | <b>8,541,900</b>   | <b>1.31</b> | 9,470,050 | 1.31      |
| – Granted                       | <b>1,233,154</b>   | <b>1.11</b> | –         | –         |
| – Exercised                     | <b>(655,230)</b>   | <b>1.11</b> | –         | –         |
| – Forfeited                     | <b>(2,357,912)</b> | <b>1.11</b> | (928,150) | 1.31      |
| Outstanding at 31 December 2010 | <b>6,761,912</b>   | <b>1.11</b> | 8,541,900 | 1.31      |
| Exercisable at 31 December 2010 | <b>6,761,912</b>   | <b>1.11</b> | 6,406,425 | 1.31      |

## Notes to the Financial Statements

31 DECEMBER 2010

### 31. Employee Share Options Scheme ("ESOS") (Cont'd.)

The fair value of share options granted on 16 July 2007 was estimated by using a black-scholes model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions are as follows:

|                                                         | 2010 | 2007 |
|---------------------------------------------------------|------|------|
| Fair values of share options as at reporting date (RM): |      |      |
| – 16 July 2007                                          | –    | 0.83 |
| – 13 April 2010                                         | 0.35 | –    |
| Weighted average share price                            | 0.98 | 1.51 |
| Weighted average exercise price                         | 1.11 | 1.31 |
| Expected volatility (%)                                 | 51   | 40   |
| Expected life (years)                                   | 5    | 5    |
| Risk free rate (%)                                      | 2.97 | 3.50 |

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of fair value.

### 32. Provision for Liabilities

|                            | Provision of<br>shortfall for<br>bumi quota<br>RM'000 | Liquidated<br>and<br>ascertained<br>damages<br>RM'000 | Infra-<br>structure<br>costs<br>RM'000 | Total<br>RM'000 |
|----------------------------|-------------------------------------------------------|-------------------------------------------------------|----------------------------------------|-----------------|
| <b>Group</b>               |                                                       |                                                       |                                        |                 |
| At 1 January 2009          | 9,306                                                 | 1,999                                                 | 1,200                                  | 12,505          |
| Additional provision       | 3,592                                                 | –                                                     | –                                      | 3,592           |
| Utilisation of provision   | –                                                     | –                                                     | (1,200)                                | (1,200)         |
| At 31 December 2009        | 12,898                                                | 1,999                                                 | –                                      | 14,897          |
| At 1 January 2010          | 12,898                                                | 1,999                                                 | –                                      | 14,897          |
| Utilisation of provision   | –                                                     | (1,999)                                               | –                                      | (1,999)         |
| Additional provision       | 68                                                    | –                                                     | –                                      | 68              |
| Reversal of provision      | (5,980)                                               | –                                                     | –                                      | (5,980)         |
| At 31 December 2010        | 6,986                                                 | –                                                     | –                                      | 6,986           |
| <b>At 31 December 2010</b> |                                                       |                                                       |                                        |                 |
| Non-current                | 6,986                                                 | –                                                     | –                                      | 6,986           |
| <b>At 31 December 2009</b> |                                                       |                                                       |                                        |                 |
| Current                    | –                                                     | 1,999                                                 | –                                      | 1,999           |
| Non-current                | 12,898                                                | –                                                     | –                                      | 12,898          |

**32. Provision for Liabilities (Cont'd.)****(a) Liquidated and ascertained damages**

Provision for liquidated and ascertained damages is in respect of projects undertaken by a subsidiary in the Group. The provision is recognised for expected liquidated ascertained damages claims based on the terms of the applicable sale and purchase agreements.

**(b) Infrastructure costs**

The infrastructure costs are in respect of the North Klang Valley Expressway tunnel expansion project had been completed during the year.

**(c) Provision for shortfall of bumi quota**

Relates to quota imposed on housing development for Bumiputras only, whereby, a penalty will be imposed for any quotas not being met by the Group.

**33. Deferred Tax Liabilities**

Deferred income tax as at 31 December relates to the following:

| Group                                                     | As at<br>1 January<br>2009<br>RM'000 | Recognised<br>in profit<br>or loss<br>RM'000 | As at<br>31 December<br>2009<br>RM'000 | Recognised<br>in equity<br>RM'000 | Transfer to<br>land held for<br>property<br>development<br>RM'000 | Recognised<br>in profit<br>or loss<br>RM'000 | As at<br>31 December<br>2010<br>RM'000 |
|-----------------------------------------------------------|--------------------------------------|----------------------------------------------|----------------------------------------|-----------------------------------|-------------------------------------------------------------------|----------------------------------------------|----------------------------------------|
| <b>Deferred tax liabilities:</b>                          |                                      |                                              |                                        |                                   |                                                                   |                                              |                                        |
| Accelerated capital allowances                            | 8,316                                | 1,989                                        | 10,305                                 | –                                 | –                                                                 | 523                                          | <b>10,828</b>                          |
| Fair value adjustment<br>on business combination          | 60,654                               | (2,433)                                      | 58,221                                 | –                                 | –                                                                 | 993                                          | <b>59,214</b>                          |
| Others                                                    | 4,470                                | 7,824                                        | 12,294                                 | 6,576                             | (6,614)                                                           | (3,507)                                      | <b>8,749</b>                           |
|                                                           | <b>73,440</b>                        | <b>7,380</b>                                 | <b>80,820</b>                          | <b>6,576</b>                      | <b>(6,614)</b>                                                    | <b>(1,991)</b>                               | <b>78,791</b>                          |
| <b>Deferred tax assets:</b>                               |                                      |                                              |                                        |                                   |                                                                   |                                              |                                        |
| Provision for liabilities                                 | 147                                  | (560)                                        | (413)                                  | –                                 | –                                                                 | 7,072                                        | <b>6,659</b>                           |
| Unused tax losses<br>and unabsorbed<br>capital allowances | (440)                                | (11,817)                                     | (12,257)                               | –                                 | –                                                                 | (15,997)                                     | <b>(28,254)</b>                        |
| Others                                                    | (1,197)                              | –                                            | (1,197)                                | –                                 | –                                                                 | 1,197                                        | <b>–</b>                               |
|                                                           | <b>(1,490)</b>                       | <b>(12,377)</b>                              | <b>(13,867)</b>                        | <b>–</b>                          | <b>–</b>                                                          | <b>(7,728)</b>                               | <b>(21,595)</b>                        |
|                                                           | <b>71,950</b>                        | <b>(4,997)</b>                               | <b>66,953</b>                          | <b>6,576</b>                      | <b>(6,614)</b>                                                    | <b>(9,719)</b>                               | <b>57,196</b>                          |

## Notes to the Financial Statements

31 DECEMBER 2010

### 33. Deferred Tax Liabilities (Cont'd.)

|                                                           | Group           |                 |
|-----------------------------------------------------------|-----------------|-----------------|
|                                                           | 2010<br>RM'000  | 2009<br>RM'000  |
| <b>Presented after appropriate offsetting as follows:</b> |                 |                 |
| Deferred tax assets                                       | 21,595          | 13,867          |
| Deferred tax liabilities                                  | (78,791)        | (80,820)        |
|                                                           | <b>(57,196)</b> | <b>(66,953)</b> |

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

|                               | Group          |                |
|-------------------------------|----------------|----------------|
|                               | 2010<br>RM'000 | 2009<br>RM'000 |
| Unused tax losses             | 8,411          | 10,487         |
| Unutilised capital allowances | 25,109         | 44,089         |

The unused tax losses, unabsorbed capital allowances and other deductible temporary differences of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority.

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

### 34. Security Retainers

Security retainers are collected from members of the golf and country resort of the Group who joined prior to January 1993. These security retainers are refundable to the members on cessation of membership, upon the expiry of the term of the membership license on 9 October 2051 or upon revocation or termination of the membership at its discretion at any time before the expiry date.

|                           | Group          |                |
|---------------------------|----------------|----------------|
|                           | 2010<br>RM'000 | 2009<br>RM'000 |
| As at 1 January 2010      | 27,320         | 27,330         |
| Effect of adopting FRS139 | (26,309)       | –              |
| Unwinding of discount     | 170            | –              |
| Utilisation               | (30)           | (10)           |
| As at 31 December 2010    | <b>1,151</b>   | <b>27,320</b>  |

**35. Deferred License Fees**

|                                 | <b>Group</b>           |                        |
|---------------------------------|------------------------|------------------------|
|                                 | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> |
| <b>Cost</b>                     |                        |                        |
| At 1 January                    | <b>92,967</b>          | 89,578                 |
| Additions                       | <b>3,664</b>           | 3,389                  |
| At 31 December                  | <b>96,631</b>          | 92,967                 |
| <b>Accumulated amortisation</b> |                        |                        |
| At 1 January                    | <b>20,422</b>          | 18,515                 |
| Amortisation during year        | <b>2,095</b>           | 1,907                  |
| At 31 December                  | <b>22,517</b>          | 20,422                 |
| <b>Net carrying amount</b>      | <b>74,114</b>          | 72,545                 |
| Current                         | <b>2,095</b>           | 1,907                  |
| Non-current                     | <b>72,019</b>          | 70,638                 |
|                                 | <b>74,114</b>          | 72,545                 |

**36. Borrowings**

|                              | <b>Group</b>           |                        | <b>Company</b>         |                        |
|------------------------------|------------------------|------------------------|------------------------|------------------------|
|                              | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> |
| <b>Short term borrowings</b> |                        |                        |                        |                        |
| Secured:                     |                        |                        |                        |                        |
| Revolving credits            | –                      | 35,352                 | –                      | 30,351                 |
| Bridging loan                | –                      | 15,000                 | –                      | –                      |
| Term loan                    | <b>2,711</b>           | 1,238                  | –                      | –                      |
|                              | <b>2,711</b>           | 51,590                 | –                      | 30,351                 |
| Unsecured:                   |                        |                        |                        |                        |
| Bank overdrafts              | –                      | 9,274                  | –                      | 9,274                  |
|                              | <b>2,711</b>           | 60,864                 | –                      | 39,625                 |
| <b>Long term borrowings</b>  |                        |                        |                        |                        |
| Secured:                     |                        |                        |                        |                        |
| Bridging loan                | <b>174,239</b>         | 77,758                 | –                      | –                      |
| Term loan                    | <b>34,411</b>          | 11,762                 | –                      | –                      |
|                              | <b>208,650</b>         | 89,520                 | –                      | –                      |

## Notes to the Financial Statements

31 DECEMBER 2010

### 36. Borrowings (Cont'd.)

|                                            | Group          |                | Company        |                |
|--------------------------------------------|----------------|----------------|----------------|----------------|
|                                            | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Total borrowings</b>                    |                |                |                |                |
| Bridging loan                              | 174,239        | 92,758         | –              | –              |
| Term loan                                  | 37,122         | 13,000         | –              | –              |
| Revolving credits                          | –              | 35,352         | –              | 30,351         |
| Bank overdrafts                            | –              | 9,274          | –              | 9,274          |
|                                            | <b>211,361</b> | 150,384        | –              | 39,625         |
| <b>Maturities of borrowings:</b>           |                |                |                |                |
| Not later than one year                    | 2,711          | 60,864         | –              | 39,625         |
| Later than 1 year and not later in 5 years | 136,224        | 87,663         | –              | –              |
| More than 5 years                          | 72,425         | 1,857          | –              | –              |
| <b>Total</b>                               | <b>211,361</b> | 150,384        | –              | 39,625         |

The revolving credits, bridging loan and term loans of the Group are secured by certain assets of the Group and of the Company as follows:

- (i) Fixed charge over certain property, plant and equipment as disclosed in Note 15;
- (ii) Fixed charge over certain land held for property development and property development costs as disclosed in Note 16;
- (iii) Fixed charge over certain investment properties as disclosed in Note 17;
- (iv) Legal assignment of all cashflows, sale or tenancy agreements, insurance policies, construction contracts, construction guarantees and performance bonds in relation to a project developed by a subsidiary;
- (v) Fixed and floating charge over the assets of certain subsidiaries;
- (vi) An undertaking given by Tan Sri Dato' Tan Chee Sing, a director of the Company; and
- (vii) Corporate guarantee given by the Company.

Other information on financial risks of borrowings are disclosed in Note 43.

**37. Trade and Other Payables**

|                                         | <b>Group</b>   |               | <b>Company</b> |               |
|-----------------------------------------|----------------|---------------|----------------|---------------|
|                                         | <b>2010</b>    | <b>2009</b>   | <b>2010</b>    | <b>2009</b>   |
|                                         | <b>RM'000</b>  | <b>RM'000</b> | <b>RM'000</b>  | <b>RM'000</b> |
| <b>Current</b>                          |                |               |                |               |
| <b>Trade payables</b>                   |                |               |                |               |
| Third parties                           | <b>105,857</b> | 90,112        | –              | –             |
| <b>Other payables</b>                   |                |               |                |               |
| Other payables                          | <b>55,336</b>  | 45,715        | <b>1,446</b>   | 1,128         |
| Amounts due to related companies        |                |               |                |               |
| – Subsidiaries                          | –              | –             | <b>3,305</b>   | 22,825        |
| – Associate ("SJE")                     | –              | 33,702        | –              | –             |
| – Minority shareholders of subsidiaries | <b>18,391</b>  | 3,082         | –              | –             |
| – Directors of subsidiaries             | <b>57</b>      | 57            | –              | –             |
| Advances from third parties             | <b>213</b>     | 213           |                |               |
|                                         | <b>73,997</b>  | 82,769        | <b>4,751</b>   | 23,953        |
|                                         | <b>179,854</b> | 172,881       | <b>4,751</b>   | 23,953        |

**(a) Trade payables**

The normal trade credit term granted to the Group ranges from 30 to 90 days (2009: 30 to 90 days).

**(b) Other payables**

The amounts due to all related parties are unsecured, interest free and have no fixed terms of repayment.

Further details on related party transactions are disclosed in Note 40.

Other information on financial risks of other payables are disclosed in Note 43.

**38. Other Current Liabilities**

|                                                                    | <b>Group</b>  |               |
|--------------------------------------------------------------------|---------------|---------------|
|                                                                    | <b>2010</b>   | <b>2009</b>   |
|                                                                    | <b>RM'000</b> | <b>RM'000</b> |
| Advance progress billings in respect of property development costs | <b>26,845</b> | 7,401         |

## Notes to the Financial Statements

31 DECEMBER 2010

### 39. Contingent Liabilities and Asset

|                                                                                                        | Company        |                |
|--------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                        | 2010<br>RM'000 | 2009<br>RM'000 |
| <b>Contingent liabilities</b>                                                                          |                |                |
| Performance guarantee given to a supplier on behalf of subsidiaries                                    | –              | 3,600          |
| Unsecured corporate guarantees given to banks<br>for credit facilities granted to certain subsidiaries | <b>351,260</b> | 133,000        |

#### Contingent asset

##### Liquidated and ascertained damages

A subsidiary of the Group has previously awarded a contract to a contractor in respect of a property development project. No liquidated and ascertained damages has been recognised as income in the financial statements as at 31 December 2010 as the amount, if any, cannot be properly determined at this juncture, pending evaluation of extension of time to be granted, if any.

##### Legal claim

On 9 April 2007, Dijaya-Malind JV (Mauritius) Limited ("DMJML") and Dijaya-Malind Properties (India) Private Limited ("DMPI"), both subsidiaries of the Company, and Starlite Global Enterprises (India) Limited (formerly known as Telangana Spinning & Weaving Mills Limited ("SGEIL")) had entered into a Deed of Novation cum Joint Development Agreement ("Agreement") to facilitate DMPI to undertake the development of SGEIL's land measuring approximately 25.4 acres in Hyderabad, India.

Due to the breach of terms in the Agreement by SGEIL, a Notice of Termination of Agreement was issued to SGEIL on 3 August 2010 to claim for the refundable deposit as well as damages suffered by DMJML and DMPI. As SGEIL have not refunded the refundable deposit of Rs127,080,000 (approximately RM9,338,000) and failed to pay the damages within the stipulated 30 days period from the date of Notice of Termination, a Notice of Arbitration was issued to SGEIL on 11 February 2011 and application for interim reliefs was filed on 17 February 2011 against SGEIL before the Civil City Court of Hyderabad to restrain SGEIL from alienating the property under its control, and to seek interim order or injunction in favour of DMJML and DMPI, pending arbitration proceedings.

A trial date has not been set and therefore, it is not practicable to state the timing of any judgement arising from this claim. Based on the advice from the legal counsel, the Group is of the view that the dispute can be resolved in its favour.

### 40. Significant Related Party Transactions

#### (a) Transactions with subsidiaries.

|                                              | Group          |                | Company        |                |
|----------------------------------------------|----------------|----------------|----------------|----------------|
|                                              | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Management fees receivable from subsidiaries | –              | –              | –              | 720            |
| Dividend income from subsidiaries            | –              | –              | <b>37,201</b>  | 35,500         |

**40. Significant Related Party Transactions (Cont'd.)****(b) Transactions with entities related to Tan Sri Dato' Tan Chee Sing (Director of the Company).**

|                                                                                                      | Group          |                | Company        |                |
|------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                                                      | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Rental expenses payable to Elite Meridian Sdn. Bhd.                                                  | <b>105</b>     | 539            | <b>31</b>      | 182            |
| Rental income receivable from Inland Sports and Recreation Club Sdn. Bhd.                            | <b>135</b>     | 423            | —              | —              |
| Rental related deposits receivable from Delta Fashion (M) Sdn. Bhd.                                  | <b>372</b>     | 111            | —              | —              |
| Rental income receivable from TT Resources Bhd's subsidiaries                                        | <b>120</b>     | 577            | —              | —              |
| Rental related deposits receivable from TT Resources F&B Sdn. Bhd., a subsidiary of TT Resources Bhd | <b>1,247</b>   | 322            | —              | —              |
| Project management fees receivable from Istima Budi Sdn. Bhd.                                        | <b>389</b>     | —              | <b>389</b>     | —              |
| Rental related deposits receivable from Ribuan Budaya Sdn. Bhd.                                      | <b>306</b>     | —              | —              | —              |
| Insurance charges payable to Berjaya-Sompo Insurance Berhad                                          | <b>217</b>     | 745            | <b>15</b>      | 7              |

**(c) Transactions with entities related to Tan Sri Dato' Tan Chee Yioun ("Tan Sri Vincent Tan"), whom is the brother of Tan Sri Dato' Tan Chee Sing.**

|                                                                                    |            |     |   |   |
|------------------------------------------------------------------------------------|------------|-----|---|---|
| Rental related deposits receivable from Berjaya Starbucks Coffee Company Sdn. Bhd. | <b>302</b> | 198 | — | — |
| Rental related deposits receivable from Berjaya Roasters (M) Sdn. Bhd.             | <b>233</b> | 194 | — | — |
| Rental related deposits receivable from Berjaya Books Sdn. Bhd.                    | <b>357</b> | 292 | — | — |

## Notes to the Financial Statements

31 DECEMBER 2010

### 40. Significant Related Party Transactions (Cont'd.)

**(c) Transactions with entities related to Tan Sri Dato' Tan Chee Yioun ("Tan Sri Vincent Tan"), whom is the brother of Tan Sri Dato' Tan Chee Sing. (cont'd.)**

|                                                                 | Group          |                | Company        |                |
|-----------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                 | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Rental related deposits receivable from Cosway (M) Sdn. Bhd.    | 73             | 55             | –              | –              |
| Rental related deposits receivable from 7 Eleven (M) Sdn. Bhd.  | 128            | 57             | –              | –              |
| Purchase of marketable securities in Berjaya Corporation Berhad |                |                |                |                |
| – Quoted shares                                                 | 29,976         | –              | –              | –              |
| – Irredeemable convertible shares                               | 3,314          | –              | –              | –              |

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established under terms that are no less favourable than those obtainable in transactions with unrelated parties.

**(d) 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 either directly or indirectly. The key management personnel includes all the Directors of the Group, and certain members of senior management of the Group.

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

|                              | Group          |                | Company        |                |
|------------------------------|----------------|----------------|----------------|----------------|
|                              | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Short-term employee benefits | 7,848          | 7,104          | 381            | 389            |
| Post-employment benefits:    |                |                |                |                |
| – Defined contribution plan  | 867            | 751            | –              | 1              |
| Share-based payment          | 494            | 737            | –              | 60             |
|                              | 9,209          | 8,592          | 381            | 450            |

Included in the total key management personnel are:

|                                   | Group          |                | Company        |                |
|-----------------------------------|----------------|----------------|----------------|----------------|
|                                   | 2010<br>RM'000 | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Directors' remuneration (Note 11) | 8,201          | 7,226          | 381            | 382            |

**40. Significant Related Party Transactions (Cont'd.)****(d) Compensation of key management personnel (cont'd.)**

Executive directors of the Group and the Company and other members of key management have been granted the following number of options under the Employee Share Options Scheme ("ESOS"):

|                | Group        |              | Company      |              |
|----------------|--------------|--------------|--------------|--------------|
|                | 2010<br>'000 | 2009<br>'000 | 2010<br>'000 | 2009<br>'000 |
| At 1 January   | 3,555        | 3,976        | 289          | 289          |
| Granted        | 268          | –            | –            | –            |
| Exercised      | (655)        | –            | –            | –            |
| Forfeited      | (1,590)      | (421)        | (289)        | –            |
| At 31 December | 1,578        | 3,555        | –            | 289          |

The share options were granted on the same terms and conditions as those offered to other employees of the Group (Note 31).

**41. Financial Instruments****Classification of financial instruments**

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies of the Group described how the class of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analysed the financial assets and liabilities in the balance sheet by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

| Group                                | Loans and<br>receivables<br>RM'000 | Fair value<br>through<br>profit and<br>loss<br>RM'000 | Financial<br>liabilities at<br>amortised<br>cost<br>RM'000 | Total<br>RM'000  |
|--------------------------------------|------------------------------------|-------------------------------------------------------|------------------------------------------------------------|------------------|
| <b>31 December 2010</b>              |                                    |                                                       |                                                            |                  |
| <b>Assets</b>                        |                                    |                                                       |                                                            |                  |
| Other investments                    | –                                  | 312                                                   | –                                                          | 312              |
| Security retainers accumulation fund | 3,232                              | –                                                     | –                                                          | 3,232            |
| Trade and other receivables          | 78,813                             | –                                                     | –                                                          | 78,813           |
| Marketable securities                | –                                  | 93,686                                                | –                                                          | 93,686           |
| Cash and bank balances               | 240,586                            | –                                                     | –                                                          | 240,586          |
| Total financial assets               |                                    |                                                       |                                                            | 416,629          |
| Total non-financial assets           |                                    |                                                       |                                                            | 1,103,103        |
| <b>Total assets</b>                  |                                    |                                                       |                                                            | <b>1,519,732</b> |
| <b>Liabilities</b>                   |                                    |                                                       |                                                            |                  |
| Borrowings                           | –                                  | –                                                     | 211,361                                                    | 211,361          |
| Trade and other payables             | –                                  | –                                                     | 179,854                                                    | 179,854          |
| Security retainers                   | –                                  | –                                                     | 1,151                                                      | 1,151            |
| Total financial liabilities          |                                    |                                                       |                                                            | 392,366          |
| Total non-financial liabilities      |                                    |                                                       |                                                            | 167,745          |
| <b>Total liabilities</b>             |                                    |                                                       |                                                            | <b>560,111</b>   |

## Notes to the Financial Statements

31 DECEMBER 2010

### 41. Financial Instruments (Cont'd.)

#### Classification of financial instruments (cont'd.)

| Group                                | Loans and<br>receivables<br>RM'000 | Fair value<br>through<br>profit and<br>loss<br>RM'000 | Financial<br>liabilities at<br>amortised<br>cost<br>RM'000 | Total<br>RM'000  |
|--------------------------------------|------------------------------------|-------------------------------------------------------|------------------------------------------------------------|------------------|
| <b>31 December 2009</b>              |                                    |                                                       |                                                            |                  |
| <b>Assets</b>                        |                                    |                                                       |                                                            |                  |
| Other investments                    | –                                  | 312                                                   | –                                                          | 312              |
| Security retainers accumulation fund | 3,042                              | –                                                     | –                                                          | 3,042            |
| Trade and other receivables          | 81,991                             | –                                                     | –                                                          | 81,991           |
| Marketable securities                | –                                  | 66,873                                                | –                                                          | 66,873           |
| Cash and bank balances               | 300,619                            | –                                                     | –                                                          | 300,619          |
| Total financial assets               |                                    |                                                       |                                                            | 452,837          |
| Total non-financial assets           |                                    |                                                       |                                                            | 974,588          |
| <b>Total assets</b>                  |                                    |                                                       |                                                            | <b>1,427,425</b> |
| <b>Liabilities</b>                   |                                    |                                                       |                                                            |                  |
| Borrowings                           | –                                  | –                                                     | 150,384                                                    | 150,384          |
| Trade and other payables             | –                                  | –                                                     | 172,881                                                    | 172,881          |
| Security retainers                   | –                                  | –                                                     | 27,320                                                     | 27,320           |
| Total financial liabilities          |                                    |                                                       |                                                            | 350,585          |
| Total non-financial liabilities      |                                    |                                                       |                                                            | 167,686          |
| <b>Total liabilities</b>             |                                    |                                                       |                                                            | <b>518,271</b>   |
| <b>31 December 2010</b>              |                                    |                                                       |                                                            |                  |
| <b>Assets</b>                        |                                    |                                                       |                                                            |                  |
| Other investments                    | –                                  | 312                                                   | –                                                          | 312              |
| Trade and other receivables          |                                    |                                                       |                                                            |                  |
| – Non-current                        | 155,711                            | –                                                     | –                                                          | 155,711          |
| – Current                            | 293,974                            | –                                                     | –                                                          | 293,974          |
| Cash and bank balances               | 1,915                              | –                                                     | –                                                          | 1,915            |
| Total financial assets               |                                    |                                                       |                                                            | 451,912          |
| Total non-financial assets           |                                    |                                                       |                                                            | 291,705          |
| <b>Total assets</b>                  |                                    |                                                       |                                                            | <b>743,617</b>   |
| <b>Liabilities</b>                   |                                    |                                                       |                                                            |                  |
| Other payables                       | –                                  | –                                                     | 4,751                                                      | 4,751            |
| <b>Total financial liabilities</b>   |                                    |                                                       |                                                            | <b>4,751</b>     |
| <b>Company</b>                       |                                    |                                                       |                                                            |                  |
|                                      | Loans and<br>receivables<br>RM'000 | Fair value<br>through<br>profit and<br>loss<br>RM'000 | Financial<br>liabilities at<br>amortised<br>cost<br>RM'000 | Total<br>RM'000  |

**41. Financial Instruments (Cont'd.)****Classification of financial instruments (cont'd.)**

| Company                            | Loans and<br>receivables<br>RM'000 | Fair value<br>through<br>profit and<br>loss<br>RM'000 | Financial<br>liabilities at<br>amortised<br>cost<br>RM'000 | Total<br>RM'000 |
|------------------------------------|------------------------------------|-------------------------------------------------------|------------------------------------------------------------|-----------------|
| <b>31 December 2009</b>            |                                    |                                                       |                                                            |                 |
| <b>Assets</b>                      |                                    |                                                       |                                                            |                 |
| Other investments                  | –                                  | 312                                                   | –                                                          | 312             |
| Trade and other receivables        |                                    |                                                       |                                                            |                 |
| – Current                          | 579,371                            |                                                       |                                                            | 579,371         |
| Cash and bank balances             | 1,100                              | –                                                     | –                                                          | 1,100           |
| Total financial assets             |                                    |                                                       |                                                            | 580,783         |
| Total non-financial assets         |                                    |                                                       |                                                            | 245,786         |
| <b>Total assets</b>                |                                    |                                                       |                                                            | <b>826,569</b>  |
| <b>Liabilities</b>                 |                                    |                                                       |                                                            |                 |
| Borrowings                         | –                                  | –                                                     | 39,625                                                     | 39,625          |
| Other payables                     | –                                  | –                                                     | 23,953                                                     | 23,953          |
| <b>Total financial liabilities</b> |                                    |                                                       |                                                            | <b>63,578</b>   |

**42. Fair Value of Financial Instruments****A. Determination of fair value**

Amounts due from subsidiaries and advances to/from subsidiaries.

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

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

The carrying amounts of current financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of the current portion of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of non-current borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

## Notes to the Financial Statements

31 DECEMBER 2010

### 43. Financial Risk Management Objectives and Policies

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

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

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

#### (a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For cash and bank balances, the Group and the Company minimise credit risk by dealing exclusively with reputable financial institutions.

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

#### Exposure to credit risk

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

#### Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's and the Company's trade receivables at the reporting date are as follows:

|                      | 2010   |            | 2009   |            |
|----------------------|--------|------------|--------|------------|
|                      | RM'000 | % of total | RM'000 | % of total |
| <b>Group</b>         |        |            |        |            |
| Property development | 17,685 | 79%        | 57,480 | 94%        |
| Property investment  | 1,809  | 8%         | 1,440  | 2%         |
| Resorts operation    | 2,823  | 13%        | 1,955  | 4%         |
|                      | 22,317 | 100%       | 60,875 | 100%       |

**43. Financial Risk Management Objectives and Policies (Cont'd.)****(b) Liquidity risk**

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

The Group's and the Company's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with several banks.

**Analysis of financial instruments by remaining contractual maturities**

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

|                                                 |                                    | 2010<br>RM'000       |                |
|-------------------------------------------------|------------------------------------|----------------------|----------------|
|                                                 | On demand<br>or within<br>one year | One to<br>five years | Total          |
| <b>Group</b>                                    |                                    |                      |                |
| <b>Financial liabilities:</b>                   |                                    |                      |                |
| Trade and other payables                        | 179,854                            | –                    | 179,854        |
| Borrowings                                      | 28,726                             | 168,777              | 197,503        |
| <b>Total undiscounted financial liabilities</b> | <b>208,580</b>                     | <b>168,777</b>       | <b>377,357</b> |
| <b>Company</b>                                  |                                    |                      |                |
| <b>Financial liabilities:</b>                   |                                    |                      |                |
| Other payables                                  | 4,751                              | –                    | 4,751          |
| <b>Total undiscounted financial liabilities</b> | <b>4,751</b>                       | <b>–</b>             | <b>4,751</b>   |

**(c) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's primary interest rate risk relates to interest-bearing borrowings.

The investments in financial assets including fixed deposits are mainly short term in nature and they are not held for speculative purposes.

The Group manages its interest rate exposure by using a mix of fixed and floating rate debts and actively reviewing its debt portfolio, taking into account the investment holding period and nature of its assets.

## Notes to the Financial Statements

31 DECEMBER 2010

### 43. Financial Risk Management Objectives and Policies (Cont'd.)

#### (c) Interest rate risk (cont'd.)

##### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

|                                                 | Group<br>RM'000 | Company<br>RM'000 |
|-------------------------------------------------|-----------------|-------------------|
| <b>31 December 2010</b>                         |                 |                   |
| Borrowings denominated in Ringgit Malaysia      |                 |                   |
| Interest rate increase by 0.25 percentage point | 112             | —                 |
| Interest rate decrease by 0.25 percentage point | 112             | —                 |
| <b>31 December 2009</b>                         |                 |                   |
| Borrowings denominated in Ringgit Malaysia      |                 |                   |
| Interest rate increase by 0.25 percentage point | 38              | —                 |
| Interest rate decrease by 0.25 percentage point | 38              | —                 |

#### (d) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices.

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted equity instruments in Malaysia are listed on the Bursa Malaysia. These instruments are classified fair value through profit or loss financial assets. The Group does not have exposure to commodity price risk.

The Group's objective is to manage investment returns and equity price risk using a mix of investment grade shares with steady dividend yield and non-investment grade shares with higher volatility.

At the reporting date, the Group's equity portfolio consists of the equity portfolio comprises investment grade shares included in the Financial Times Stock Exchange (FTSE) Bursa Malaysia KLCI.

##### Sensitivity analysis for equity price risk

At the reporting date, if the FTSE Bursa Malaysia KLCI had been 5% higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM4,684,300 higher/lower, arising as a result of higher/lower fair value gains on held for trading investments in equity instruments.

**44. Operating Lease Arrangements****(a) The Group as lessee**

The Group has entered into non-cancellable operating lease agreements for the use of office premises and equipment. These leases have an average life of 3 years with renewal or purchase option included in the contracts. There are no restrictions placed upon the Group by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases at the reporting date are as follows:

|                                              | <b>Group</b>           |                        | <b>Company</b>         |                        |
|----------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                              | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> |
| Future minimum rentals payments:             |                        |                        |                        |                        |
| Not later than 1 year                        | <b>177</b>             | 277                    | <b>483</b>             | 31                     |
| Later than 1 year and not later than 5 years | <b>213</b>             | 99                     | <b>1,965</b>           | –                      |
|                                              | <b>390</b>             | 376                    | <b>2,448</b>           | 31                     |

The lease payments recognised in profit or loss during the financial year are disclosed in Note 9.

**(b) The Group as lessor**

The Group has entered into cancellable operating lease agreements on its investment property portfolio. These leases have remaining cancellable lease terms of between 2 and 39 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

|                                              | <b>Group</b>           |                        |
|----------------------------------------------|------------------------|------------------------|
|                                              | <b>2010<br/>RM'000</b> | <b>2009<br/>RM'000</b> |
| Not later than 1 year                        | <b>22,737</b>          | 25,973                 |
| Later than 1 year and not later than 5 years | <b>18,446</b>          | 23,861                 |
| Later than 5 years                           | <b>55,338</b>          | 57,854                 |
|                                              | <b>96,521</b>          | 107,688                |

## Notes to the Financial Statements

31 DECEMBER 2010

### 45. Commitments

|                                                                                                                                      | 2010<br>RM'000 | Group<br>2009<br>RM'000 |
|--------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------|
| <b>Capital Expenditure</b>                                                                                                           |                |                         |
| <b>Capital Commitment</b>                                                                                                            |                |                         |
| Approved and contracted for:                                                                                                         |                |                         |
| – Land held for property development                                                                                                 | 277,622        | 129,264                 |
| – Property, plant and equipment/property development costs<br>(mixed development in respect of a commercial and residential project) | 46,548         | 90,043                  |
|                                                                                                                                      | <b>324,170</b> | <b>219,307</b>          |

### 46. Segmental Information

#### (a) Business segments:

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

- |                                     |                                                                                                                                |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| (i) Property and resort development | – Development of residential and commercial properties and provision of golfing and other sporting and recreational facilities |
| (ii) Property investment            | – Operation of clubhouse and shopping mall                                                                                     |
| (iii) Investment holding            | – Investment income                                                                                                            |

Except as indicated above, no operating segments has been aggregated to form the above reportable operating segments.

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

**46. Segmental Information (Cont'd.)**  
**Segmental information by business segments:**

|                                 | Property and resort development |                | Property investment |              | Investment holding |               | Adjustments and eliminations |                 | Note | Consolidated   |                |
|---------------------------------|---------------------------------|----------------|---------------------|--------------|--------------------|---------------|------------------------------|-----------------|------|----------------|----------------|
|                                 | 2010                            | 2009           | 2010                | 2009         | 2010               | 2009          | 2010                         | 2009            |      | 2010           | 2009           |
|                                 | RM'000                          | RM'000         | RM'000              | RM'000       | RM'000             | RM'000        | RM'000                       | RM'000          |      | RM'000         | RM'000         |
| <b>Revenue and expenses</b>     |                                 |                |                     |              |                    |               |                              |                 |      |                |                |
| <b>Revenue</b>                  |                                 |                |                     |              |                    |               |                              |                 |      |                |                |
| External sales                  | 243,751                         | 202,085        | 32,817              | 21,663       | 2,698              | 620           | 12,992                       | 87,409          |      | 292,258        | 311,777        |
| Inter-segment                   | 51,092                          | 95,591         | 1,094               | –            | 51,957             | 40,578        | (104,143)                    | (136,169)       | A    | –              | –              |
| Total revenue                   | 294,843                         | 297,676        | 33,911              | 21,663       | 54,655             | 41,198        | (91,151)                     | (48,760)        |      | 292,258        | 311,777        |
| <b>Results</b>                  |                                 |                |                     |              |                    |               |                              |                 |      |                |                |
| Interest income                 | 6,456                           | 2,038          | 360                 | –            | 12,809             | 2,627         | (14,622)                     | (2,539)         |      | 5,003          | 2,126          |
| Depreciation and amortisation   | (9,131)                         | (7,240)        | (4,509)             | (4,400)      | (997)              | (255)         | –                            | –               |      | (14,637)       | (11,895)       |
| Share of results of associates  | –                               | –              | –                   | –            | –                  | –             | 6,605                        | 4,978           |      | 6,605          | 4,978          |
| Other non-cash expenses         | (12,864)                        | (3,078)        | (3,927)             | –            | (175,219)          | (16,175)      | 177,839                      | –               | B    | (14,171)       | (19,253)       |
| <b>Segment profit</b>           | <b>48,677</b>                   | <b>63,122</b>  | <b>5,165</b>        | <b>3,688</b> | <b>27,557</b>      | <b>37,788</b> | <b>(28,005)</b>              | <b>(32,483)</b> | C    | <b>53,394</b>  | <b>72,115</b>  |
| <b>Assets</b>                   |                                 |                |                     |              |                    |               |                              |                 |      |                |                |
| Investment in associates        | –                               | –              | –                   | –            | 5,357              | 30,489        | 20,378                       | 24,677          |      | 25,735         | 55,166         |
| Additions to non-current assets | 152,224                         | 29,415         | 20,228              | 32,579       | 8,190              | 48            | –                            | –               | D    | 180,642        | 62,042         |
| Segment assets                  | 943,585                         | 881,961        | 377,710             | 291,812      | 58,237             | 43,197        | 140,200                      | 210,455         |      | 1,519,732      | 1,427,425      |
| <b>Segment liabilities</b>      | <b>360,745</b>                  | <b>365,154</b> | <b>40,623</b>       | <b>8,985</b> | <b>101,310</b>     | <b>74,502</b> | <b>–</b>                     | <b>69,630</b>   |      | <b>560,111</b> | <b>518,271</b> |

## Notes to the Financial Statements

31 DECEMBER 2010

### 46. Segmental Information (Cont'd.)

**Notes: Nature of adjustments and eliminations to arrive at the amounts reported in the consolidated financial statements**

A. Inter-segment revenues are eliminated on consolidation

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

|                        | 2010<br>RM'000 | 2009<br>RM'000 |
|------------------------|----------------|----------------|
| Share based payments   | 400            | 1,793          |
| Provisions             | 68             | 3,592          |
| Reversal of provisions | 13,703         | 13,868         |
|                        | <b>14,171</b>  | <b>19,253</b>  |

C. The following items are added to/(deducted from) segment profit to arrive at Profit before tax from continuing operations presented in the consolidated statement of comprehensive income:

|                                | 2010<br>RM'000 | 2009<br>RM'000 |
|--------------------------------|----------------|----------------|
| Share of results of associates | 6,605          | 4,978          |
| Finance costs                  | (6,001)        | (9,575)        |
|                                | <b>604</b>     | <b>(4,597)</b> |

D. Additions to non-current assets consist of:

|                                    | 2010<br>RM'000 | 2009<br>RM'000 |
|------------------------------------|----------------|----------------|
| Property, plant and equipment      | 157,662        | 28,192         |
| Investment properties              | 18,871         | 31,435         |
| Land held for property development | 4,109          | 2,415          |
|                                    | <b>180,642</b> | <b>62,042</b>  |

## 47. Significant Events

In addition to the items disclosed elsewhere in these financial statements, other significant events are disclosed as follows:

- (a) On 7 April 2010, the Company has entered into Sale & Purchase of Shares Agreements to acquire the entire issued and paid-up share capital of Transglobal Limited ("TGL"), a company incorporated in the Cayman Islands from Winmark Holdings Limited ("Winmark") and Wizamir LLC for a total consideration of USD50,000 (equivalent to RM160,500). On 7 June 2010, due to non-satisfaction with the results of the financial due diligence conducted, the Company and Winmark had mutually agreed to terminate the Sale and Purchase of Shares Agreement for the purchase of 37,500 ordinary shares of USD1 each in TGL, representing 75% equity interest in TGL, from Winmark; And on 7 June 2010, the Company has entered into a Sale and Purchase of Shares Agreement to dispose of 12,500 TGL Shares, representing 25% equity interest in TGL to Winmark.
- (b) On 2 August 2010, Tropicana Danga Bay Sdn. Bhd. (formerly known as Goldhill Quest Sdn. Bhd.) ("TDBSB"), a 60% owned subsidiary of the Dijaya Tropicana Danga Bay Sdn. Bhd. (formerly known as Nagasari Cerdas Sdn. Bhd.) had, on the same date, entered into 2 conditional Sale and Purchase Agreements with Danga Bay Sdn. Bhd. ("DBSB") to acquire the following two pieces of land:
  - (i) a freehold land held under H.S.(D) 471884, PTB 22902, Bandar Johor Bahru, District of Johor Bahru and State of Johor, measuring approximately 126,550 square meters equivalent to 1,362,171 square feet for a cash consideration of RM258,812,490, representing approximately RM190 per square foot; and
  - (ii) a freehold land held under H.S.(D) 471883, PTB 22901, Bandar Johor Bahru, District of Johor Bahru and State of Johor, measuring approximately 24,280 square meters equivalent to 261,347 square feet for a cash consideration of RM49,655,930 representing approximately RM190 per square foot.

As at the date of this report, the above mentioned proposed land acquisitions are still pending completion and the completion date is expected to be in the third quarter of year 2011.

## 48. Capital Management

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2010 and 31 December 2009.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, trade and other payables, less cash and bank balances. Capital refer to equity attributable to the owners of the parent.

## Notes to the Financial Statements

31 DECEMBER 2010

### 48. Capital Management (Cont'd.)

|                                                 | Group            |                | Company        |                |
|-------------------------------------------------|------------------|----------------|----------------|----------------|
|                                                 | 2010<br>RM'000   | 2009<br>RM'000 | 2010<br>RM'000 | 2009<br>RM'000 |
| Borrowings                                      | 211,361          | 150,384        | –              | 39,625         |
| Trade and other payables                        | 179,854          | 172,881        | 4,751          | 23,953         |
| Less: Cash and bank balances                    | (240,586)        | (300,619)      | (1,915)        | (1,100)        |
| Net debt                                        | 150,629          | 22,646         | 2,836          | 62,478         |
| Equity attributable to the owners of the parent | 898,836          | 839,843        | 738,866        | 762,993        |
| Total capital                                   | 898,836          | 839,843        | 738,866        | 762,993        |
| <b>Capital and net debt</b>                     | <b>1,049,465</b> | <b>862,489</b> | <b>741,702</b> | <b>825,471</b> |
| <b>Gearing ratio</b>                            | <b>0.14</b>      | <b>0.03</b>    | <b>0.00</b>    | <b>0.08</b>    |

### 49. Supplementary information - breakdown of retained profits/(accumulated losses) into realised and unrealised

The breakdown of the retained earnings/(accumulated losses) of the Group and of the Company as at 31 December 2010 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

|                                                                                     | Group<br>RM'000 | Company<br>RM'000 |
|-------------------------------------------------------------------------------------|-----------------|-------------------|
| Total retained earnings/(accumulated losses)<br>of the Company and its subsidiaries |                 |                   |
| – Realised                                                                          | (37,149)        | (124,363)         |
| – Unrealised                                                                        | 28,105          | –                 |
|                                                                                     | (9,044)         | (124,363)         |
| Total share of retained earnings from associate                                     |                 |                   |
| – Realised                                                                          | 19,646          | –                 |
|                                                                                     | 10,602          | (124,363)         |
| Add: Consolidation adjustments                                                      | 23,509          | –                 |
| Retained earnings/(accumulated losses) as per financial statements                  | 34,111          | (124,363)         |

# Analysis of Shareholdings

AS AT 29 APRIL 2011

## Share Capital

Authorised Share Capital : RM1,000,000,000  
 Issued and Fully Paid : RM455,000,000  
 Class of Shares : Ordinary Shares of RM1.00 each  
 Voting Rights : One vote per Ordinary Share held

| Size of Holdings        | No. of Shareholders | %             | No. of Shares      | %             |
|-------------------------|---------------------|---------------|--------------------|---------------|
| 1 – 99                  | 253                 | 3.19          | 4,182              | 0.00          |
| 100 – 1,000             | 2,335               | 29.43         | 2,221,767          | 0.49          |
| 1,001 – 10,000          | 4,539               | 57.22         | 17,240,100         | 3.79          |
| 10,001 – 100,000        | 735                 | 9.27          | 19,788,476         | 4.35          |
| 100,001 – 22,749,999 *  | 66                  | 0.83          | 204,299,983        | 44.90         |
| 22,750,000 and above ** | 5                   | 0.06          | 211,445,492        | 46.47         |
| <b>Total</b>            | <b>7,933</b>        | <b>100.00</b> | <b>455,000,000</b> | <b>100.00</b> |

### Notes:

\* Less than 5% of issued shares

\*\* 5% and above of issued shares

## Substantial Shareholders

According to the register required to be kept under Section 69L of the Companies Act, 1965, the substantial shareholders of the Company are as follows: -

| Name of Substantial Shareholders | Direct Interest |       | Deemed Interest          |       |
|----------------------------------|-----------------|-------|--------------------------|-------|
|                                  | No. of Shares   | %     | No. of Shares            | %     |
| Tan Sri Dato' Tan Chee Sing      | 140,043,934     | 30.78 | 165,840,769 <sup>#</sup> | 36.44 |
| Impeccable Ace Sdn Bhd           | 82,007,761      | 18.02 | –                        | –     |
| Golden Diversity Sdn Bhd         | 83,833,008      | 18.42 | –                        | –     |

### Note:

<sup>#</sup> Deemed interested by virtue of his shareholdings in Impeccable Ace Sdn Bhd and Golden Diversity Sdn Bhd

## Thirty Largest Registered Shareholders (As per Records of Depositors)

| Name of Shareholders                                                                                               | No. of Shares | %     |
|--------------------------------------------------------------------------------------------------------------------|---------------|-------|
| 1. Amsec Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account – AmBank (M) Bhd for Tan Chee Sing)            | 62,840,404    | 13.81 |
| 2. Amsec Nominees (Tempatan) Sdn Bhd<br>(Tan Chee Sing)                                                            | 48,655,230    | 10.69 |
| 3. Amsec Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account – AmBank (M) Bhd for Impeccable Ace Sdn Bhd)   | 44,207,761    | 9.72  |
| 4. HSBC Nominees (Asing) Sdn Bhd<br>(Exempt An for Credit Suisse – SG BR-TST-Asing)                                | 32,642,097    | 7.17  |
| 5. Golden Diversity Sdn Bhd                                                                                        | 23,100,000    | 5.08  |
| 6. Berjaya Sompo Insurance Berhad                                                                                  | 22,293,500    | 4.90  |
| 7. Mayban Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Impeccable Ace Sdn Bhd)                   | 22,000,000    | 4.83  |
| 8. Amsec Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account – AmBank (M) Bhd for Golden Diversity Sdn Bhd) | 17,925,000    | 3.94  |
| 9. Amsec Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account – AmBank (M) Berhad for Tan Chee Sing)         | 16,975,000    | 3.73  |

## Analysis of Shareholdings

AS AT 29 APRIL 2011

| Name of Shareholders                                                                                              | No. of Shares      | %            |
|-------------------------------------------------------------------------------------------------------------------|--------------------|--------------|
| 10. Mayban Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Golden Diversity Sdn Bhd)               | 16,908,008         | 3.71         |
| 11. Amsec Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account – AmBank (M) Bhd for Impeccable Ace Sdn Bhd) | 15,800,000         | 3.47         |
| 12. EB Nominees (Tempatan) Sendirian Berhad<br>(Pledged Securities Account for Golden Diversity Sdn Bhd)          | 14,875,000         | 3.27         |
| 13. CIMB Group Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Golden Diversity Sdn Bhd)           | 11,025,000         | 2.42         |
| 14. Amsec Nominees (Tempatan) Sdn Bhd<br>(Warisan Istimewa Sdn Bhd)                                               | 10,920,955         | 2.40         |
| 15. EB Nominees (Tempatan) Sendirian Berhad<br>(Pledged Securities Account for Sublime Cartel Sdn Bhd)            | 8,000,000          | 1.76         |
| 16. Amsec Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account – AmBank (M) Berhad for Tan Chee Sing)       | 7,000,000          | 1.54         |
| 17. Amsec Nominees (Tempatan) Sdn Bhd<br>(Tasik Mewah Sdn Bhd)                                                    | 6,275,875          | 1.38         |
| 18. Warisan Istimewa Sdn Bhd                                                                                      | 4,071,025          | 0.90         |
| 19. ABB Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Tan Chee Sing)                             | 4,025,000          | 0.89         |
| 20. Amsec Nominees (Tempatan) Sdn Bhd<br>(Aneka Angkasa Sdn Bhd)                                                  | 3,334,700          | 0.73         |
| 21. Mayban Nominees (Asing) Sdn Bhd<br>(G.K. Goh Strategic Holdings Pte Ltd)                                      | 2,500,000          | 0.55         |
| 22. Mayban Nominees (Asing) Sdn Bhd<br>(Alpha Securities Pte Ltd)                                                 | 2,200,000          | 0.48         |
| 23. Sublime Cartel Sdn Bhd                                                                                        | 2,000,000          | 0.44         |
| 24. RHB Capital Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Tengku Adnan Bin Tengku Mansor)    | 1,500,000          | 0.33         |
| 25. RHB Capital Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Sow Gek Pong)                      | 1,487,500          | 0.33         |
| 26. Tasik Mewah Sdn Bhd                                                                                           | 1,441,400          | 0.32         |
| 27. Wie Hock Beng                                                                                                 | 800,000            | 0.18         |
| 28. HDM Nominees (Asing) Sdn Bhd<br>(UOB Kay Hian Pte Ltd for Tok Kim Cheng)                                      | 787,500            | 0.17         |
| 29. Citigroup Nominees (Asing) Sdn Bhd<br>(CBNY for Dimensional Emerging Markets Value Fund)                      | 714,500            | 0.16         |
| 30. Tan Chee Sing                                                                                                 | 548,300            | 0.12         |
| <b>Total</b>                                                                                                      | <b>406,853,755</b> | <b>89.42</b> |

## Directors' Shareholdings

| Name of Directors              | Direct Interest |       | Deemed Interest            |       |
|--------------------------------|-----------------|-------|----------------------------|-------|
|                                | No. of shares   | %     | No. of shares              | %     |
| 1. Tan Sri Dato' Tan Chee Sing | 140,043,934     | 30.78 | 165,840,769 <sup>(i)</sup> | 36.44 |
| 2. Dato' Tong Kien Onn         | 35,000          | 0.01  | 89,250 <sup>(ii)</sup>     | 0.02  |
| 3. Loh Chen Peng               | 210,000         | 0.05  | –                          | –     |

### Notes:

(i) Deemed interested by virtue of his shareholdings in Impeccable Ace Sdn Bhd and Golden Diversity Sdn Bhd.

(ii) Deemed interested by virtue of the shareholding of his spouse.

# Analysis of Warrant Holdings

AS AT 29 APRIL 2011

## Warrant 2009/2019

No. of Warrants Issued : 129,812,791  
 Exercised price of the Warrants : RM1.00  
 Expiry date of the Warrants : 8 December 2019

| Size of Warrant Holdings | No. of Warrant Holders | %             | No. of Warrants    | %             |
|--------------------------|------------------------|---------------|--------------------|---------------|
| 1 – 99                   | 139                    | 4.88          | 5,955              | 0.00          |
| 100 – 1,000              | 1,184                  | 41.62         | 814,617            | 0.63          |
| 1,001 – 10,000           | 1,069                  | 37.57         | 3,830,600          | 2.95          |
| 10,001 – 100,000         | 361                    | 12.69         | 13,095,248         | 10.09         |
| 100,001 – 6,490,638 *    | 87                     | 3.06          | 37,514,165         | 28.90         |
| 6,490,639 and above **   | 5                      | 0.18          | 74,552,206         | 57.43         |
| <b>Total</b>             | <b>2,845</b>           | <b>100.00</b> | <b>129,812,791</b> | <b>100.00</b> |

### Notes:

\* Less than 5% of issued warrants

\*\* 5% and above of issued warrants

## Thirty Largest Registered Warrant Holders (As per Records of Depositors)

| Name of Warrant Holders                                                                                    | No. of Warrants | %     |
|------------------------------------------------------------------------------------------------------------|-----------------|-------|
| 1. Amsec Nominees (Tempatan) Sdn Bhd<br>(Tan Chee Sing)                                                    | 36,518,687      | 28.13 |
| 2. Amsec Nominees (Tempatan) Sdn Bhd<br>(Impeccable Ace Sdn Bhd)                                           | 12,630,789      | 9.73  |
| 3. HSBC Nominees (Asing) Sdn Bhd<br>(Exempt An For Credit Suisse (SG BR-TST-Asing))                        | 9,326,313       | 7.18  |
| 4. Affin Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Tan Sew Hoey (Tan Siew Hoey))      | 8,754,200       | 6.74  |
| 5. Amsec Nominees (Tempatan) Sdn Bhd<br>(Tasik Mewah Sdn Bhd)                                              | 7,322,217       | 5.64  |
| 6. EB Nominees (Tempatan) Sendirian Berhad<br>(Pledged Securities Account for Golden Diversity Sdn Bhd)    | 4,250,000       | 3.27  |
| 7. CIMB Group Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Golden Diversity Sdn Bhd)     | 3,150,000       | 2.43  |
| 8. Tasik Mewah Sdn Bhd                                                                                     | 3,000,000       | 2.31  |
| 9. Amsec Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account – AmBank (M) Berhad for Tan Chee Sing) | 2,000,000       | 1.54  |
| 10. Amsec Nominees (Tempatan) Sdn Bhd<br>(Warisan Istimewa Sdn Bhd)                                        | 1,895,030       | 1.46  |
| 11. ABB Nominee (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Tan Chee Sing)                       | 1,150,000       | 0.89  |

## Analysis of Warrant Holdings

AS AT 29 APRIL 2011

| Name of Warrant Holders                                                                                          | No. of Warrants    | %            |
|------------------------------------------------------------------------------------------------------------------|--------------------|--------------|
| 12. Goh Buck Chooi                                                                                               | 1,150,000          | 0.89         |
| 13. ECML Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Seow Meh Foong)                          | 935,900            | 0.72         |
| 14. Chin Kiam Hsung                                                                                              | 844,400            | 0.65         |
| 15. Chin Swee Chew                                                                                               | 735,000            | 0.57         |
| 16. Tng Kee Meng                                                                                                 | 611,000            | 0.47         |
| 17. Public Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Pui Joon Choi)                         | 572,000            | 0.44         |
| 18. CIMSEC Nominees (Tempatan) Sdn Bhd<br>(CIMB Bank for Ong Chin Sean)                                          | 535,667            | 0.41         |
| 19. Tan Sui Lan                                                                                                  | 507,300            | 0.39         |
| 20. Public Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Tan Chong Swee)                        | 489,100            | 0.38         |
| 21. OSK Nominees (Tempatan) Sdn Berhad<br>(Pledged Securities Account for Chin Kiam Hsung)                       | 484,000            | 0.37         |
| 22. Inter-Pacific Equity Nominees (Asing) Sdn Bhd<br>(Kim Eng Securities Pte Ltd for Chumpon Chantharakulpongsa) | 457,000            | 0.35         |
| 23. ECML Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Tan Bee Yook)                            | 450,000            | 0.35         |
| 24. Kenanga Nominees (Asing) Sdn Bhd<br>(Exempt An for Philip Securities Pte Ltd)                                | 440,000            | 0.34         |
| 25. Mayban Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Tan Teng Kow)                          | 435,733            | 0.34         |
| 26. RHB Capital Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Sow Gek Pong)                     | 425,000            | 0.32         |
| 27. Low Ah Lin                                                                                                   | 400,033            | 0.31         |
| 28. Chin Kian Fong                                                                                               | 400,000            | 0.31         |
| 29. Low Bee Keng                                                                                                 | 385,000            | 0.30         |
| 30. Public Nominees (Tempatan) Sdn Bhd<br>(Pledged Securities Account for Tan Cheh Lin)                          | 381,000            | 0.29         |
| <b>Total</b>                                                                                                     | <b>100,635,369</b> | <b>77.52</b> |

## Directors' Warrant Holdings

| Name of Directors              | Direct Interest |       | Deemed Interest           |       |
|--------------------------------|-----------------|-------|---------------------------|-------|
|                                | No. of Warrants | %     | No. of Warrants           | %     |
| 1. Tan Sri Dato' Tan Chee Sing | 39,825,554      | 30.68 | 20,033,077 <sup>(i)</sup> | 15.43 |
| 2. Loh Chen Peng               | 60,000          | 0.05  | –                         | –     |

### Note:

(i) Deemed interested by virtue of his shareholdings in Impeccable Ace Sdn Bhd and Golden Diversity Sdn Bhd.

# List of Properties

AS AT 31 DECEMBER 2010

| Title Reference                                                                                | Purpose/<br>Existing Use     | Tenure                                               | Year of<br>Acquisition/<br>Year of<br>Completion | Approx.<br>Age of<br>Building<br>(Years) | Land Area<br>Approx.<br>(acres) | Built-up<br>Area/Net<br>Lettable<br>Area (sq ft) | Net Book<br>Value @<br>31 Dec 2010<br>(RM' Million) | Revaluation<br>Value<br>(RM' Million) | Date of<br>Revaluation |
|------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------------------|--------------------------------------------------|------------------------------------------|---------------------------------|--------------------------------------------------|-----------------------------------------------------|---------------------------------------|------------------------|
| <b>TROPICANA GOLF &amp; COUNTRY RESORT BERHAD</b>                                              |                              |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| H.s.(D) 98368 PT 425,<br>Lot 202, Mukim Sungei<br>Buloh, Daerah Petaling,<br>Negeri Selangor   | Land held for<br>development | Leasehold<br>(99 years)<br>expiring on<br>22.09.2109 | 1991                                             | –                                        | 1.90                            | –                                                | 2.46                                                | –                                     | –                      |
| H.s.(D) 98368 PT 424,<br>Lot 203, Mukim Sungei<br>Buloh, Daerah Petaling,<br>Negeri Selangor   | Land held for<br>development | Leasehold<br>(99 years)<br>expiring on<br>22.09.2109 | 1991                                             | –                                        | 3.70                            | –                                                | 3.46                                                | –                                     | –                      |
| H.s.(D) 262313 PT 423,<br>Mukim Bandar Damansara,<br>Daerah Petaling,<br>Negeri Selangor       | Land held for<br>development | Leasehold<br>(99 years)<br>expiring on<br>04.04.2127 | 1991                                             | –                                        | 1.70                            | –                                                | 0.64                                                | –                                     | –                      |
| H.s.(D) 98372 PT 31341,<br>Mukim Sungei Buloh,<br>Daerah Petaling, Negeri<br>Selangor          | Land held for<br>development | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 1991                                             | –                                        | 3.20                            | –                                                | 0.78                                                | –                                     | –                      |
| H.s.(D) 98373 PT 31342,<br>Lot 213, Mukim Sungei<br>Buloh, Daerah Petaling,<br>Negeri Selangor | Land held for<br>development | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 1991                                             | –                                        | 3.20                            | –                                                | 2.70                                                | –                                     | –                      |
| PN15851/15852 Lot<br>946/948 Mukim Bandar<br>Damansara,<br>Daerah Petaling,<br>Negeri Selangor | Land held for<br>investment  | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 1991                                             | –                                        | 1.30                            | –                                                | 0.05                                                | –                                     | –                      |
| <b>TROPICANA INDAH SDN BHD</b>                                                                 |                              |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Lot No. 53725 to 53736,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor     | Land held for<br>development | Leasehold<br>(99 years)<br>expiring on<br>11.11.2101 | 1994                                             | –                                        | 1.70                            | –                                                | 0.52                                                | –                                     | –                      |
| Lot 52581 & 52582,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor          | Land held for<br>development | Leasehold<br>(99 years)<br>expiring on<br>24.04.2106 | 1994                                             | –                                        | 17.60                           | –                                                | 4.23                                                | –                                     | –                      |

## List of Properties

AS AT 31 DECEMBER 2010

| Title Reference                                                                                                                                                                                                  | Purpose/<br>Existing Use     | Tenure                                               | Year of<br>Acquisition/<br>Year of<br>Completion | Approx.<br>Age of<br>Building<br>(Years) | Land Area<br>Approx.<br>(acres) | Built-up<br>Area/Net<br>Lettable<br>Area (sq ft) | Net Book<br>Value @<br>31 Dec 2010<br>(RM' Million) | Revaluation<br>Value<br>(RM' Million) | Date of<br>Revaluation |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------------------|--------------------------------------------------|------------------------------------------|---------------------------------|--------------------------------------------------|-----------------------------------------------------|---------------------------------------|------------------------|
| <b>DIJAYA PROPERTY SDN BHD</b>                                                                                                                                                                                   |                              |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| GM 897, Lot 1244,<br>Mukim Cheras,<br>Daerah Hulu Langat,<br>Negeri Selangor                                                                                                                                     | Land held for<br>development | Freehold                                             | 2008                                             | –                                        | 3.90                            | –                                                | 2.74                                                | –                                     | –                      |
| GRN 44674, Lot 1339,<br>Mukim Cheras,<br>Daerah Hulu Langat,<br>Negeri Selangor                                                                                                                                  | Land held for<br>development | Freehold                                             | 2008                                             | –                                        | 22.80                           | –                                                | 15.92                                               | –                                     | –                      |
| GRN 48088, Lot 5717,<br>Mukim Kajang,<br>Daerah Hulu Langat,<br>Negeri Selangor                                                                                                                                  | Land held for<br>development | Freehold                                             | 2008                                             | –                                        | 63.10                           | –                                                | 45.33                                               | –                                     | –                      |
| GM 1293, Lot 1953,<br>Mukim Kajang,<br>Daerah Hulu Langat,<br>Negeri Selangor                                                                                                                                    | Land held for<br>development | Freehold                                             | 2008                                             | –                                        | 2.90                            | –                                                | 2.13                                                | –                                     | –                      |
| <b>TROPICANA EDUCATION MANAGEMENT SDN BHD</b>                                                                                                                                                                    |                              |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| HS (D) 240672 PT<br>9839/240673 PT<br>9836/240674 PT<br>9835/240675 PT 9837,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor                                                                  | Land held for<br>investment  | Leasehold<br>(99 years)<br>expiring on<br>19.05.2098 | 2010                                             | –                                        | 6.00                            | –                                                | 31.71                                               | 31.05                                 | Dec 2009               |
| <b>ASPEK ANALISA SDN BHD</b>                                                                                                                                                                                     |                              |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| PT 1789, 1791, 1793,<br>1794, 1795, 1796, 1797,<br>1798, 1799, 1800, 1801,<br>1802, 1803, 1804, 1805,<br>1806, 1807, 1808, 1809,<br>1810, 1811, 1812, 9½<br>Miles Jalan Sungai Besi,<br>Serdang, Negeri Selangor | Land held for<br>development | Leasehold<br>(99 years)<br>expiring on<br>21.06.2108 | 1996                                             | –                                        | 5.90                            | –                                                | 1.02                                                | –                                     | –                      |
| <b>ARAH PELANGI SDN BHD</b>                                                                                                                                                                                      |                              |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Lot Nos. 405, 413,<br>417 & 715, Section 4 Town<br>of Bukit Mertajam,<br>District of Seberang<br>Perai Tengah, Pulau Pinang                                                                                      | Land held for<br>development | Freehold                                             | 1997                                             | –                                        | 11.10                           | –                                                | 6.00                                                | –                                     | –                      |

## List of Properties

AS AT 31 DECEMBER 2010

| Title Reference                                                                                        | Purpose/<br>Existing Use | Tenure                                      | Year of<br>Acquisition/<br>Year of<br>Completion | Approx.<br>Age of<br>Building<br>(Years) | Land Area<br>Approx.<br>(acres) | Built-up<br>Area/Net<br>Lettable<br>Area (sq ft) | Net Book<br>Value @<br>31 Dec 2010<br>(RM' Million) | Revaluation<br>Value<br>(RM' Million) | Date of<br>Revaluation |
|--------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------|--------------------------------------------------|------------------------------------------|---------------------------------|--------------------------------------------------|-----------------------------------------------------|---------------------------------------|------------------------|
| <b>TROPICANA GOLF &amp; COUNTRY RESORT BERHAD</b>                                                      |                          |                                             |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| PN7972 Lot 205 Mukim Bandar Damansara, Daerah Petaling, Negeri Selangor                                | Land under construction  | Leasehold (99 years) expiring on 04.04.2127 | 1991                                             | –                                        | 5.20                            | –                                                | 1.72                                                | –                                     | –                      |
| PN7974 Lot 201, Mukim Bandar Damansara, Daerah Petaling, Negeri Selangor                               | Land under construction  | Leasehold (99 years) expiring on 25.10.2090 | 1991                                             | –                                        | 8.20                            | –                                                | 0.38                                                | –                                     | –                      |
| <b>TROPICANA INDAH SDN BHD</b>                                                                         |                          |                                             |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| PT No. 32431 to 32485, Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor                       | Land under construction  | Leasehold (99 years) expiring on 11.11.2101 | 1994                                             | –                                        | 6.50                            | –                                                | 1.88                                                | –                                     | –                      |
| PT No. 32199 to 32211, Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor                       | Land under construction  | Leasehold (99 years) expiring on 27.05.2101 | 1994                                             | –                                        | 3.40                            | –                                                | 1.46                                                | –                                     | –                      |
| PT No. 31910 to 31927, Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor                       | Land under construction  | Leasehold (99 years) expiring on 28.08.2097 | 1994                                             | –                                        | 0.80                            | –                                                | 0.31                                                | –                                     | –                      |
| <b>TROPICANA CITY SDN BHD</b>                                                                          |                          |                                             |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| HSD 136188 Lot PT8, Bandar Petaling Jaya, Tambahan 1, District Petaling, Negeri Selangor               | Land under construction  | Freehold                                    | 1995                                             | –                                        | 1.10                            | –                                                | 3.69                                                | –                                     | –                      |
| <b>DIJAYA DEVELOPMENT SDN BHD</b>                                                                      |                          |                                             |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Geran 51952, Lot 194, Seksyen 58, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan | Land under Construction  | Freehold                                    | 2010                                             | –                                        | 1.30                            | –                                                | 123.04                                              | 125.80                                | Nov 2009               |

## List of Properties

AS AT 31 DECEMBER 2010

| Title Reference                                                                                                  | Purpose/<br>Existing Use   | Tenure                                               | Year of<br>Acquisition/<br>Year of<br>Completion | Approx.<br>Age of<br>Building<br>(Years) | Land Area<br>Approx.<br>(acres) | Built-up<br>Area/Net<br>Lettable<br>Area (sq ft) | Net Book<br>Value @<br>31 Dec 2010<br>(RM' Million) | Revaluation<br>Value<br>(RM' Million) | Date of<br>Revaluation |
|------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------------------------------|--------------------------------------------------|------------------------------------------|---------------------------------|--------------------------------------------------|-----------------------------------------------------|---------------------------------------|------------------------|
| <b>TROPICANA GOLF &amp; COUNTRY RESORT BERHAD</b>                                                                |                            |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Tropicana Golf & Country Resort,<br>47410 Petaling Jaya,<br>Negeri Selangor                                      | Club and Golf<br>Course    | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 1994                                             | 18                                       | 121.80                          | –                                                | 90.68                                               | –                                     | –                      |
| PN30648 Lot 204,<br>Mukim Bandar Damansara,<br>Daerah Petaling,<br>Negeri Selangor                               | Showcase                   | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 1991                                             | –                                        | 0.90                            | –                                                | 4.35                                                | –                                     | –                      |
| H.s.(D) 97760/98159/98201<br>PT 29946/30345/30387,<br>Mukim Sungei Buloh,<br>Daerah Petaling,<br>Negeri Selangor | Bungalow<br>Lands (3pcs)   | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 1991                                             | –                                        | –                               | 37,598                                           | 1.68                                                | –                                     | –                      |
| PN7974 Lot 201,<br>Mukim Bandar Damansara,<br>Daerah Petaling,<br>Negeri Selangor                                | Condominiums<br>(11 units) | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 2005 to<br>2007                                  | 3                                        | –                               | 13,633                                           | 0.10                                                | –                                     | –                      |
| H.s.(D) 98373 PT 31342,<br>Mukim Sungei Buloh,<br>Daerah Petaling,<br>Negeri Selangor                            | Office Lot<br>(1 unit)     | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 2006                                             | 4                                        | –                               | 1,691                                            | 0.11                                                | –                                     | –                      |
| H.s.(D) 98348/98270 PT<br>31317/30456,<br>Mukim Sungei Buloh,<br>Daerah Petaling Negeri<br>Selangor              | Semi-D<br>(2 units)        | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 2003                                             | 8                                        | –                               | 8,225                                            | 1.07                                                | –                                     | –                      |
| PN7974 Lot 201,<br>Mukim Bandar Damansara,<br>Daerah Petaling,<br>Negeri Selangor                                | Shop Lots<br>(4 units)     | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 2006                                             | 4                                        | –                               | 3,017                                            | 0.03                                                | –                                     | –                      |
| PN31276/31280 Lot<br>1089/1093<br>Mukim Bandar Damansara,<br>Daerah Petaling,<br>Negeri Selangor                 | Link Houses<br>(2 units)   | Leasehold<br>(99 years)<br>expiring on<br>25.10.2090 | 2005                                             | 5                                        | –                               | 4,670                                            | 0.71                                                | –                                     | –                      |

## List of Properties

AS AT 31 DECEMBER 2010

| Title Reference                                                                                                     | Purpose/<br>Existing Use                    | Tenure                                               | Year of<br>Acquisition/<br>Year of<br>Completion | Approx.<br>Age of<br>Building<br>(Years) | Land Area<br>Approx.<br>(acres) | Built-up<br>Area/Net<br>Lettable<br>Area (sq ft) | Net Book<br>Value @<br>31 Dec 2010<br>(RM' Million) | Revaluation<br>Value<br>(RM' Million) | Date of<br>Revaluation |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------------------------|--------------------------------------------------|------------------------------------------|---------------------------------|--------------------------------------------------|-----------------------------------------------------|---------------------------------------|------------------------|
| <b>TROPICANA CITY SDN BHD</b>                                                                                       |                                             |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Geran 54431 Lot 45821,<br>Seksyen 39,<br>Bandar Petaling Jaya,<br>Daerah Petaling,<br>Negeri Selangor               | 3-Storey<br>Shopping Mall                   | Freehold                                             | 2008                                             | –                                        | 4.80                            | 1,594,945                                        | 279.03                                              | 283.60                                | Dec 2009               |
| H.S. (D) 136187, Lot PT<br>7, Bandar Petaling Jaya,<br>Tambahan 1,<br>Daerah Petaling,<br>Negeri Selangor           | 12-Storey<br>Office Tower                   | Freehold                                             | 2010                                             | –                                        | 0.30                            | 129,632                                          | 46.66                                               | 68.30                                 | Aug 2009               |
| <b>TROPICANA CITY SDN BHD</b>                                                                                       |                                             |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Geran 54431 Lot 45821,<br>Seksyen 39,<br>Bandar Petaling Jaya,<br>Daerah Petaling,<br>Negeri Selangor               | Tropics Service<br>Apartments<br>(17 units) | Freehold                                             | 2010                                             | –                                        | –                               | 13,722                                           | 3.09                                                | –                                     | –                      |
| <b>TROPICANA INDAH SDN BHD</b>                                                                                      |                                             |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| PT32519, 32542 & 32491,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor.                         | Villa Green 3A<br>(3 units)                 | Leasehold<br>(99 years)<br>expiring on<br>11.11.2101 | 2008                                             | 2                                        | 0.40                            | 1,724                                            | 4.28                                                | –                                     | –                      |
| PT32197, 32198, 32209,<br>32212, 32213 & 32214,<br>Pekan Baru Sungai Buloh,<br>daerah Petaling,<br>Negeri Selangor. | Bungalow<br>Lands/3A<br>(6 units)           | Leasehold<br>(99 years)<br>expiring on<br>27.05.2101 | 1994                                             | –                                        | 2.50                            | –                                                | 2.47                                                | –                                     | –                      |
| PT32278, 32285 & 32301,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor.                         | Bungalow<br>Lands/3B<br>(3 units)           | Leasehold<br>(99 years)<br>expiring on<br>31.01.2099 | 1994                                             | –                                        | 0.70                            | –                                                | 1.15                                                | –                                     | –                      |
| PT32409,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor.                                        | Bungalow<br>Land/3C<br>(1 unit)             | Leasehold<br>(99 years)<br>expiring on<br>31.01.2099 | 1994                                             | –                                        | 0.20                            | –                                                | 0.29                                                | –                                     | –                      |
| PT32325, 32328,<br>32342 & 32343,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor.               | Bungalow<br>Lands/3D<br>(4 units)           | Leasehold<br>(99 years)<br>expiring on<br>31.01.2099 | 1994                                             | –                                        | 1.30                            | –                                                | 1.37                                                | –                                     | –                      |

## List of Properties

AS AT 31 DECEMBER 2010

| Title Reference                                                                                               | Purpose/<br>Existing Use                           | Tenure                                               | Year of<br>Acquisition/<br>Year of<br>Completion | Approx.<br>Age of<br>Building<br>(Years) | Land Area<br>Approx.<br>(acres) | Built-up<br>Area/Net<br>Lettable<br>Area (sq ft) | Net Book<br>Value @<br>31 Dec 2010<br>(RM' Million) | Revaluation<br>Value<br>(RM' Million) | Date of<br>Revaluation |
|---------------------------------------------------------------------------------------------------------------|----------------------------------------------------|------------------------------------------------------|--------------------------------------------------|------------------------------------------|---------------------------------|--------------------------------------------------|-----------------------------------------------------|---------------------------------------|------------------------|
| PT32610, 32603,<br>32639 & 32637,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor.         | Bungalow<br>Lands/3E<br>(4 units)                  | Leasehold<br>(99 years)<br>expiring on<br>11.11.2101 | 1994                                             | –                                        | 1.30                            | –                                                | 1.58                                                | –                                     | –                      |
| PN34873,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor.                                  | Casa Indah 1<br>Condominiums<br>(11 units)         | Leasehold<br>(99 years)<br>expiring on<br>31.01.2099 | 2006                                             | 4                                        | –                               | 1,423                                            | 2.53                                                | –                                     | –                      |
| PT9741,<br>Pekan Baru Sungai Buloh,<br>Daerah Petaling,<br>Negeri Selangor.                                   | Casa Indah 2<br>Condominiums<br>(16 units)         | Leasehold<br>(99 years)<br>expiring on<br>31.01.2099 | 2009                                             | 2                                        | –                               | 1,953                                            | 4.37                                                | –                                     | –                      |
| <b>DICORP LAND SDN BHD</b>                                                                                    |                                                    |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Block D, Casa Suites, Jalan<br>SS20/27, Damansara Intan,<br>47400 Petaling Jaya,<br>Negeri Selangor           | Casa Suites<br>Service<br>Apartments<br>(10 units) | Freehold                                             | 2008                                             | 3                                        | –                               | 8,062                                            | 4.03                                                | –                                     | –                      |
| Damansara Intan, Jalan SS<br>20/27, Damansara Intan,<br>47400 Petaling Jaya,<br>Negeri Selangor               | Damansara<br>Intan Business<br>Park (13 units)     | Freehold                                             | 1999                                             | 11                                       | –                               | 18,625                                           | 3.89                                                | –                                     | –                      |
| <b>ASPEK ANALISA SDN BHD</b>                                                                                  |                                                    |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Lot No. 66117(PT1790),<br>9½ Miles Jalan Sungai Besi,<br>Serdang, Negeri Selangor                             | Fortune Park<br>Apartments<br>(23 units)           | Leasehold<br>(99 years)<br>expiring on<br>21.06.2108 | 2007                                             | 3                                        | –                               | 27,894                                           | 5.32                                                | –                                     | –                      |
| <b>NADI JELITA SDN BHD</b>                                                                                    |                                                    |                                                      |                                                  |                                          |                                 |                                                  |                                                     |                                       |                        |
| Penthouse,<br>Parcel No. 6, Block A,<br>Meranti Park, Phase 1,<br>Bukit Tinggi Resort,<br>Pahang Darul Makmur | Apartment<br>(1 unit)                              | Leasehold<br>(99 years)<br>expiring on<br>04.05.2094 | 1997                                             | 10                                       | –                               | 1,300                                            | 0.28                                                | –                                     | –                      |

## **Dijaya Corporation Berhad**

### **Head Office**

Level 10 – 12  
Tropicana City Office Tower  
No. 3 Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7710 1018  
Fax : + 603 7725 3035  
Email : corpcomm@dijayacorp.com  
Website : www.dijaya.com.my

## **Dijaya Corporation Berhad**

### **Registered Office**

C-06-02, 6th Floor, Block C  
Wisma TT, No. 1, Jalan PJS 8/15  
Dataran Mentari  
46150 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : +603 5621 3808  
Fax : +603 5621 3807

## **Tropicana Golf & Country Resort Berhad**

### **Clubhouse**

Jalan Kelab Tropicana  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7804 8888  
Fax : + 603 7804 3688  
Email : gm@tropicanaagolf.com  
Website : www.tropicanaagolf.com

## **Tropicana City Sdn Bhd**

### **Marketing & Leasing**

Lot B1-01, Basement 1  
Tropicana City Mall  
No. 3, Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7710 1818  
Fax : + 603 7710 0202  
Email : enquiries@tropicanacitymall.com  
Website : www.tropicanacitymall.com

## **Sales Galleries**

### **Dijaya Sales Gallery**

#### **@Tropicana City Mall**

Lot G23A, Ground Floor  
Tropicana City Mall  
No. 3 Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7728 2018  
Email : enquiry@dijayacorp.com

## **Tropicana Grande**

### **Show Unit & Sales Office**

No. 10, Persiaran Tropicana, PJU 3  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7806 3368  
Email : enquiry@dijayacorp.com

## **Property Management Offices Tropicana Management Services Sdn Bhd (TMS)**

### **Property Management Office**

Jalan Kelab Tropicana  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7804 1533 (Direct Line)  
+ 603 7804 8888 (General Line)  
Fax : + 603 7804 5044  
Email : tms@tropicanaagolf.com

## **Tropicana City**

### **Property Management Office**

Tropicana City Mall & Office Tower  
Lot B1-01, Basement 1  
Tropicana City Mall  
No. 3 Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7710 1818  
Fax : + 603 7710 0202  
Email : enquiries@tropicanacitymall.com  
Website : www.tropicanacitymall.com

## **Tropicana City Tropics**

A3A-01 Tropics@Tropicana City  
No. 3 Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7729 6822  
Fax : + 603 7729 3822  
Email : enquiry@dijayacorp.com

### **Tropicana Indah Sdn Bhd**

#### **Property Management Office**

Jalan Kelab Tropicana  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7804 4722/  
+ 603 7805 5855  
Fax : + 603 7806 5044  
Email : mpliew@diijayacorp.com  
zila@diijayacorp.com

### **Casa Indah 1 Condominiums**

#### **Property Management Office**

B-G-05, Casa Indah 1 Condominiums  
No. 2A, Persiaran Surian  
Tropicana Indah, PJU 3  
Kota Damansara  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 6140 9198  
Fax : + 603 6140 9168  
Email : casaindahcondo@yahoo.com

### **Casa Indah 2 Condominiums**

#### **Property Management Office**

A-02-01, Management Office  
Casa Indah 2 Condominiums  
No. 2B Persiaran Surian  
Tropicana Indah Resort Homes, PJU 3  
Kota Damansara  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 6142 6288/6388  
Fax : + 603 6142 6788  
Email : casaindah2@diijayacorp.com

### **Casa Tropicana Condominiums**

#### **Property Management Office**

B-5-17, Block B  
Casa Tropicana  
No. 5, Jalan Persiaran Tropicana, PJU 3  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7883 0982  
Fax : + 603 7883 0292  
Email : casatropicana@diijayacorp.com

### **Casa Suites**

#### **Property Management Office**

Ground Floor, Casa Suites  
No. 1, Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7726 2911  
Fax : + 603 7727 9611  
Email : casasuities@diijayacorp.com

### **Casa Kiara 2 Condominiums**

#### **Property Management Office**

Casa Kiara 2  
Lobby Level  
No. 14 Jalan Kiara 5, Bukit Kiara  
50480 Kuala Lumpur  
Wilayah Persekutuan, Malaysia  
Tel : + 603 6203 9229  
Fax : + 603 6203 9339  
Email : casakiara2@diijayacorp.com

### **Fortune Park Apartments**

#### **Property Management Office**

A-5 Pangsapuri Suria Perdana  
(Fortune Park Apartments)  
Taman Serdang Perdana  
Seksyen 4  
43300 Sri Kembangan  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 8944 9331  
Fax : + 603 8944 9332  
Email : fortunepark@diijayacorp.com

### **Damansara Intan**

#### **Property Management Office**

328, 3rd Floor  
Block A, Damansara Intan  
No. 1 Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7118 3111  
Fax : + 603 7118 3222  
Email : gracewong@diijayacorp.com

### **Merchant Square Business Park**

#### **Property Management Office**

No. 1, Jalan Tropicana Selatan 1, PJU 3  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 7883 0866  
Fax : + 603 7883 0966  
Email : merchantsquare@diijayacorp.com

### **TSB Commercial Centre Sungai Buloh**

#### **Property Management Office**

No. 15, Jalan Nautika B U20/B  
TSB Commercial Centre  
Sungai Buloh, Seksyen U20  
40160 Shah Alam  
Selangor Darul Ehsan, Malaysia  
Tel : + 6019 364 3097/  
+ 6019 364 3059

### **Arena Mentari Business Park**

#### **Property Management Office**

Basement,  
Block C, Wisma TT  
No. 1, Jalan PJS 8/15  
Dataran Mentari  
46150 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : + 603 5621 1979  
Fax : + 603 5621 1980  
Email : istimabudi@gmail.com

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirty Second (32nd) Annual General Meeting of Dijaya Corporation Berhad ("Dijaya" or "Company") will be held at the Ballroom 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 22 June 2011 at 10.30 a.m. for the following purposes:-

## Agenda

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2010 together with the Reports of the Directors and auditors thereon. **Resolution 1**
2. To approve the payment of a first and final dividend of 5% per share less 25% Malaysian Income Tax for the financial year ended 31 December 2010 as recommended by the Directors. **Resolution 2**
3. (i) To re-elect the following Directors who retire in accordance with Article 97 of the Company's Articles of Association and, being eligible, offer themselves for re-election:-
  - (a) Tan Sri Dato' Tan Chee Sing **Resolution 3**
  - (b) Dato' Tong Kien Onn **Resolution 4**
- (ii) To re-elect the following Directors who retire in accordance with Article 103 of the Company's Articles of Association and, being eligible, offer themselves for re-election:-
  - (a) Tan Seng Chye **Resolution 5**
  - (b) Kong Woon Jun **Resolution 6**
  - (c) Dato' Ng Tian Sang @ Ng Kek Chuan **Resolution 7**
4. To approve the payment of Directors' fees amounting to RM255,618.00 for the financial year ended 31 December 2010. **Resolution 8**
5. To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration. **Resolution 9**
6. **As Special Business:-**  
To consider and if thought fit, pass the following resolution, with or without modifications:-  
**Ordinary Resolution**  
**Authority under Section 132D of the Companies Act, 1965 for the Directors to issue Shares** **Resolution 10**  
"THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental and regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."
7. To transact any other business of which due notice shall have been given.

## Notice of Annual General Meeting

### Notice of Dividend Entitlement and Payment Date

Subject to the approval of the shareholders, the first and final dividend of 5% per share less 25% Malaysian Income Tax for the financial year ended 31 December 2010 will be paid on 2 August 2011 to depositors whose names appear in the record of depositors at the close of business on 8 July 2011.

Further notice is hereby given that a depositor shall qualify for entitlement only in respect of:-

- a) Shares deposited into the depositor's securities accounts before 12.30 p.m. on 6 July 2011 (in respect of shares which are exempted from mandatory deposit).
- b) Shares transferred into the depositor's securities accounts before 4.00 p.m. on 8 July 2011 in respect of ordinary transfers.
- c) Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

**DIJAYA CORPORATION BERHAD**

**WONG LAY SEE**

Company Secretary

Petaling Jaya

30 May 2011

### Notes:-

- (i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (subject always to a maximum of two (2) proxies) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
- (ii) To be valid, the instrument appointing a proxy or proxies, under the hand of the appointer or his attorney duly authorised in writing, must be completed and deposited at the Company's Registered Office at C-06-02, 6th Floor, Block C, Wisma TT, No. 1, Jalan PJS 8/15, Dataran Mentari, 46150 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.
- (iii) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- (iv) If the appointer is a corporation, the instrument appointing a proxy must be executed under its seal or under the hand of its attorney.

### Explanatory Note on Special Business

#### (a) Authority to issue shares pursuant to Section 132D of the Companies Act, 1965

The Proposed Ordinary Resolution is a renewal of general mandate for the Directors to issue shares pursuant to Section 132D of the Companies Act, 1965 obtained from the shareholders at the last Annual General Meeting. As at the date of the Notice, the Company has not issued any new shares pursuant to this general mandate which was granted to the Directors at the 31st Annual General Meeting held on 23 June 2010 which will lapse at the conclusion of the 32nd Annual General Meeting.

The Proposed Ordinary Resolution, if passed, will authorise the Directors of the Company, from the date of the above Annual General Meeting, to issue and allot ordinary shares up to ten per centum (10%) of the issued and paid-up capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

This general mandate will provide flexibility for the Company to undertake any possible fund raising activities, including but not limited to further placement of shares for purpose of funding the Company's future investment projects, working capital and/or acquisitions, by the issuance of shares in the Company to such persons at any time, as the Directors may deem fit, without having to convene a general meeting.

## Statement Accompanying the Notice of Annual General Meeting

No individual is seeking election as a Director at the Thirty Second Annual General Meeting of the Company.

# Proxy Form

**DIJAYA CORPORATION BERHAD**

(47908-K)  
Incorporated in Malaysia

I/We (full name in block capitals) \_\_\_\_\_

NRIC No./Company No. \_\_\_\_\_ CDS Account No. \_\_\_\_\_

of (full address) \_\_\_\_\_

being a member/members of **DIJAYA CORPORATION BERHAD** hereby appoint (full name as per NRIC in block capitals) \_\_\_\_\_

\_\_\_\_\_ NRIC No. \_\_\_\_\_

of (full address) \_\_\_\_\_

or failing him/her \_\_\_\_\_ NRIC No. \_\_\_\_\_

of (full address) \_\_\_\_\_

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirty Second (32<sup>nd</sup>) Annual General Meeting of the Company to be held at the Ballroom 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 22 June 2011 at 10.30 a.m. or any adjournment thereof.

| NO. | RESOLUTIONS                                                                                                                                                                         | FOR | AGAINST |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|
| 1.  | To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2010 together with the reports of the Directors and auditors thereon. |     |         |
| 2.  | To approve a first and final dividend of 5% per share less 25% Malaysian Income Tax for the financial year ended 31 December 2010.                                                  |     |         |
| 3.  | To re-elect Tan Sri Dato' Tan Chee Sing as Director.                                                                                                                                |     |         |
| 4.  | To re-elect Dato' Tong Kien Onn as Director.                                                                                                                                        |     |         |
| 5.  | To re-elect Mr Tan Seng Chye as Director.                                                                                                                                           |     |         |
| 6.  | To re-elect Mr Kong Woon Jun as Director.                                                                                                                                           |     |         |
| 7.  | To re-elect Dato' Ng Tian Sang @ Ng Kek Chuan as Director.                                                                                                                          |     |         |
| 8.  | To approve the payment of Directors' fees amounting to RM255,618.00 for the financial year ended 31 December 2010.                                                                  |     |         |
| 9.  | To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration.                                                                            |     |         |
| 10. | Special Business – Ordinary Resolution: -<br>To authorise Directors to issue shares up to 10% of the issued capital for the time being.                                             |     |         |

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain from voting at his discretion.

\_\_\_\_\_  
Signature/Seal of Shareholder(s)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

**No. of shares held**

## Notes:

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (subject always to a maximum of two (2) proxies) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
- To be valid, the instrument appointing a proxy or proxies, under the hand of the appointer or his attorney duly authorised in writing, must be completed and deposited at the Company's Registered Office at C-06-02, 6th Floor, Block C, Wisma TT, No. 1, Jalan PJS 8/15, Dataran Mentari, 46150 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- If the appointer is a corporation, the instrument appointing a proxy must be executed under its seal or under the hand of its attorney.

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Affix  
Stamp

**Dijaya Corporation Berhad**  
C-06-02, 6th Floor, Block C  
Wisma TT, No. 1, Jalan PJS 8/15  
Dataran Mentari  
46150 Petaling Jaya  
Selangor Darul Ehsan

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Printed on recycled paper



**Dijaya Corporation Berhad** (47908-K)

Level 10-12, Tropicana City Office Tower

No. 3, Jalan SS 20/27, 47400 Petaling Jaya

Selangor Darul Ehsan, Malaysia

Tel : 03-7710 1018

Fax : 03-7725 3035

[www.DIJAYA.com.my](http://www.DIJAYA.com.my)