ANNUAL REPORT 2015

BEYOND BOUNDARIES

SPIRIT OF ACHIEVEMENT

Bina Darulaman Berhad

www.bdb.com.my

Contents

BEYOND BOUNDARIES

In this Annual Report, BDB unveils its new corporate identity to reflect its transformative progress and commitment to go beyond boundaries within its industries. United through the brand uniformity of its subsidiaries, BDB looks towards greater ventures as we aim for excellence in every aspect of our operations.

Our Vision

To be a respected and leading conglomerate that delivers excellent products and services.

Our Mission

To deliver excellent standard of performance through township development, infrastructure, construction and tourism.

Our Objectives

- To maximise returns to shareholders by maximising growth rate in net earnings.
- To ensure that subsidiaries achieve leadership positions in their respective industries.
- To create a conducive environment for the Group's employees to realise their potential.
- To ensure sustainability of our core businesses.
- To create diversified income and revenue sources.
- To contribute positively towards the social and environmental needs of the society in which we operate.

About Us

Bina Darulaman Berhad (BDB) is an investment holding company. Its subsidiaries are household names in the state of Kedah with regards to real estate and township development, construction, road building and maintenance, quarry, golf as well as tourism, leisure and hospitality.

Since its inception two decades ago, the BDB Group has achieved remarkable success in the undertaking of various construction, township and infrastructure development projects.

Incorporated on 7 February 1995 and listed on the Main Board of Bursa Malaysia on 2 February 1996, the BDB Group has four business segments, namely township development, infrastructure, construction and tourism.

The BDB Group has undergone a transformation process through a rebranding exercise with the unveiling of a new identity on 13 April 2015 in conjunction with the Group's 20th Anniversary celebration. The new corporate identity would better reflect the bigger and forward-marching aspirations of the BDB Group.

The rebranding exercise is timely as the BDB Group competes amidst a wider and challenging business scope, i.e. in meeting the increasing demand from buyers of the Group's various property units or clients of its infrastructure projects. In essence, the BDB Group's corporate identity was given a makeover in line with the Group's new aspirations and commitment to both improve and upgrade the quality of its existing products and services. Beyond that, the rebranding exercise also resulted in a facelift and name change for the BDB Group's subsidiaries to create uniformity in the quest to elevate and strengthen the future of the BDB Group.

BDB INFRA SDN BHD

Road Construction and Maintenance Pioneer

BDB Infra Sdn Bhd is a Class A contractor recognised for its excellent reputation in road works and construction in Northern Malaysia. BDB Infra was incorporated in 1973 to assist the Public Works Department to undertake road construction and maintenance throughout Kedah.

Recently, in July 2015, BDB Infra had secured a RM210 million state road maintenance project and this was due to its excellent track record in previous road construction and maintenance projects.

BDB Infra has constantly achieved success in notable projects such as the completion of a RM40 million subcontract job from IJM Construction Sdn Bhd for the construction of the access road from the mainland to the Second Penang Bridge in 2013.

In addition, BDB Infra managed to obtain and contribute its expertise in the Trans Eastern Kedah Interland Highway (TEKIH) project from Bayu Melati Sdn Bhd and the pavement rehabilitation project of the North-South Expressway, which stretches along the Tikam Batu and Bukit Kayu Hitam route worth RM8.4 million from Projek Penyelenggaraan Lebuhraya Berhad (PROPEL).

BDB Infra aspires to venture into other businesses such as ready-mix concrete and aims to be on top of its fields of expertise, and to further expand its business via its new quarry in Northern Kedah.

Established in 1983, BDB Land Sdn Bhd is a name synonymous with township development in Kedah. Its pioneering project was Bandar Darulaman in Jitra, which was developed to serve as a satellite town of Alor Setar in 1984. The first few projects which were embarked upon by BDB Land were Taman Siswa and Taman Dato' Osman Arof. These were then followed by Taman Mahsuri Phase Two in 1999.

BDB LAND SDN BHD

The Developer of Bandar Darulaman Satellite Township

BDB Land brought major development to Kuala Ketil in the district of Baling through Darulaman Utama township projects. Its biggest achievement to date in Kuala Ketil is the en bloc sale of 323 terrace house units to PR1MA Corporation Malaysia in Taman Insaniah.

Over the years, BDB Land redeveloped Darulaman Perdana in Sungai Petani in November 2014, which stood out as a prime location for quality homes. The township has recently unveiled a new phase with spacious design at a competitive pricing. Recently, BDB Land launched its Taman Tunku Intan Safinaz in June 2015.

Darulaman Perdana, Sungai Petani

Where Ultimate Living in Style Prevails

The up and coming Darulaman Perdana township in Sungai Petani is all about Ultimate Living in Style. Conceptualised via its Emerald, Jade and Amber homes, the value-for-money dwellings are designed as an ideal contemporary living space with competitive pricing.

Darulaman Perdana is divided into three enclaves namely Darulaman Central which is flanked by Darulaman Perdana East and West. Darulaman Perdana West will comprise high-end homes and commercial properties while Darulaman Perdana East will be a mixture of affordable homes, single and double-storey terraces.

Darulaman Utama, Kuala Ketil

BDB Land has embarked on a strategic move to build 2,399 units of homes which are located within the vicinity of Kolej Universiti Insaniah in Darulaman Utama, Kuala Ketil. This move is aimed to entice both potential homebuyers and investors alike, to fulfill their personal needs or for commercial gains.

A noteworthy BDB Land's achievement to date is the en bloc sales of 323 units of double-storey terrace houses to PR1MA Corporation Malaysia in Taman Insaniah.

Bandar Darulaman

Kedah's Most Enviable Township Development

Bandar Darulaman stands out as the most strategic mixed township developed by BDB Land Sdn Bhd.

Since establishing its reputation as a dynamic catalyst to uplift the socio-economic status of local areas, BDB Land is in the midst of planning and continuing to spearhead mixed township development via the realisation of Bandar Darulaman.

In a nutshell, the project which boasts a gross development value (GDV) of RM858 million is made up of four components, namely development of the 237.28-acre Taman Tunku Intan Safinaz (TTIS), Dataran Darulaman (4.07 acres), the proposed construction of a golf club complex and condominium (6.0 acres) as well as the Darulaman Hills resort-oriented living (94.9 acres).

Phase One of the development of TTIS will entail the construction of 198 units of low-cost apartments; Phase Two (416 units of terrace and semi-detached houses as well as bungalows), Phase Three (300 units of affordable apartments) and Phase Four (217 units of terrace houses and semi-detached houses as well as bungalows).

The idea to construct a recreational park – encompassing 9.24 acres for the lake vicinity and 21.4 acres for the hilly surrounding – was conceived to complete the mixed development project.

The development of Bandar Darulaman will step up a gear with the shaping of Dataran Darulaman, which consists of an 18-storey apartment with 216 units of dwellings; 10 three-storey semi-detached commercial buildings and an 18-storey Menara BDB (BDB Tower).

Through a six-acre land that boasts a GDV of RM102 million, Bandar Darulaman will also be housing the Equine Darulaman Park, a golf club complex, a four star hotel with 140 rooms and a 18-storey residential tower with 216 condominium units.

Darulaman Hills is another exclusive development underpinned by the concept of resort living and nature. This is in line with the anticipated rise in desire to experience lifestyle living along strategic sites in urban locales, thus creating a demand for medium-cost to high-end homes which offer exquisite surroundings and security.

Taman Tunku Intan Safinaz (TTIS)

The development of TTIS will take off in stages with Phase One comprising 198 units of low-cost apartments. The second phase will consist of various dwellings that range from 260 units of terrace houses, 72 units of double-storey semi-detached houses and 16 units of bungalows.

Phase Three which entails a gross development value (GDV) of RM54 million is made up of a 15-storey affordable apartment building with 300 units of homes, a management office unit, a playground and 404 parking bays.

Under the fourth phase, BDB Land will develop 217 units of homes comprising 58 units of double-storey terrace houses, 52 units of single-storey semi-detached houses and 107 units of bungalows with a GDV of RM87.4 million.

The fifth phase which boasts a GDV of RM113.3 million offers 297 homes in the form of double-storey terrace houses (206 units), single-storey semi-detached houses (80 units) and single-storey bungalows (11 units).

This will be followed by Phase Six which consists of 104 units of homes ranging from 84 units of double-storey semi-detached houses and 20 units of double-storey bungalows – all at a GDV of RM61 million. A total of 73 units of double-storey bungalows at a GDV of RM65.54 million will be built under Phase Seven which is the final phase of the TTIS project.

Aside from residential homes, the TTIS project also consists of commercial hubs with plans afoot to put in place petrol kiosks, fast food outlets, shop offices, food court and a police base – all at a GDV of RM14.02 million.

Last but not least, a recreational park and a mosque with an estimated financial commitment of RM8.1 million will also be built at TTIS.

The Breeze Lakehomes

Elite Lifestyle Comes to Bandar Darulaman

Darulaman Lakehomes Phase Three is the final phase in the Lakehomes series. Designed based on the latest contemporary tropical theme, these exclusive double-storey bungalows come in two built-up sizes to choose from, namely 2,731 square feet and 3,341 square feet.

Built against the backdrop of tranquil and lush greeneries of Darulaman Lake Park, the bungalows are located within a gated and guarded community. To cater to the needs and comfort of its occupants, each bungalow is equipped with five bedrooms which are attached to five bathrooms.

To complement the contemporary living lifestyle, the bungalows are designed to suit the tropical climate with particular attention paid to minimise sun ray penetration to ensure maximum comfort for its occupants. The sense of luxury living is further elevated through the classical touch of modern glass finishing.

BDB SYNERGY SDN BHD

BDB Synergy Sdn Bhd is a specialised General and Turnkey Contracting Company incorporated in Malaysia in 1982. It was formed through a joint venture between Perbadanan Kemajuan Negeri Kedah (PKNK) and Sato Kogyo Company Ltd. (SKCL). BDB Synergy is now a wholly owned subsidiary of Bina Darulaman Berhad (BDB), a company listed in the Main Board of Bursa Malaysia.

BDB Synergy is widely recognised in the field of Civil Engineering and Building Construction with experience ranging from airport, jetties, roadworks, waterworks, bridges, industrial buildings and residential as well as commercial properties. BDB Synergy has completed projects with revenue exceeding RM1 billion since its inception.

Among the notable projects awarded to BDB Synergy in 2015 is the development of Bertam Lakehomes and Bertam Perdana, Kepala Batas and Lakehome Phase 3, Bandar Darulaman.

The company offers professional and technical expertise across the whole spectrum of construction-related activities, through project identification, evaluation, financing, planning, design, implementation and maintenance.

BDB Synergy is also committed to Total Quality Management System and was awarded the ISO 9001:2008 Certification.

Moving forward, BDB Synergy aspires to be the proud partner of BDB Land Sdn Bhd, another subsidiary of the BDB Group in future township and housing development projects.

BDB DARULAMAN GOLF RESORT BERHAD

A Well-Equipped and Outstanding Golf Course in Northern Malaysia

Darulaman Golf and Country Club (DGCC) boasts a sprawling international standard 18-hole golf course which encompasses an area of 189.61 acres.

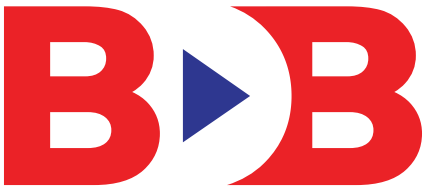
The Club offers numerous facilities which range from swimming pool, badminton courts, gymnasium, conference facilities, F&B outlets, chalets, spa and theme park, among others.

After the completion of the upgrading works on the 18-hole golf course in June 2013, the golf course has been opened to golf enthusiasts.

The Darulaman Suites offers 115 suites and chalets for ardent golfers and visitors alike. Its conference hall can accommodate 300 guests for business and leisure purposes.

Aptly dubbed the “Pride of the North”, DGCC is one of the golf clubs offering a host of leisure, sporting and accommodation facilities up in Northern Malaysia. Guests can unwind amidst soothing greenery or indulge in recreational activities such as canoeing, horse riding and golfing.

Corporate **Structure**



SPIRIT OF ACHIEVEMENT

1 ENGINEERING & CONSTRUCTION

100% BDB SYNERGY SDN BHD (82740-W)
(Formerly known as Kedah Sato Sdn Bhd)

2 TOWNSHIP & PROPERTY DEVELOPMENT

100% BDB LAND SDN BHD (69284-P)
(Formerly known as Darulaman Realty Sdn Bhd)

100% KEDAH HOLDINGS SDN BHD (80618-U)

100% AMAN LAGENDA SDN BHD (1116761-P)

3 ROAD BUILDING & QUARRYING

100% BDB INFRA SDN BHD (16289-A)
(Formerly known as Bina & Kuari (K) Sdn Bhd)

4 TOURISM & HOSPITALITY

98.7% BDB DARULAMAN GOLF RESORT BERHAD (254310-M)
(Formerly known as Darulaman Golf Resort Berhad)

100% BDB HOTELS SDN BHD (384098-P)

Corporate **Information**

BOARD OF DIRECTORS

Dato' Paduka Haji Rasli bin Basir
Chairman
Non-Independent
Non-Executive Director

Dato' Izham bin Yusoff
Group Managing Director
Non-Independant Executive Director

Dato' Haji Abd Rahim bin Man
Non-Independent
Non-Executive Director

Datuk Mohd Nasir bin Ahmad
Senior Independent
Non-Executive Director

Dato' Abdul Rahman bin Ibrahim
Non-Independent
Non-Executive Director

Asri bin Hamidon
Independent Non-Executive Director

Datuk Wan Azhar bin Wan Ahmad
Independent Non-Executive Director

BOARD AUDIT COMMITTEE

Datuk Mohd Nasir bin Ahmad
Chairman

Dato' Abdul Rahman bin Ibrahim
Member

Asri bin Hamidon
Member

Datuk Wan Azhar bin Wan Ahmad
Member

BOARD RISK COMMITTEE

Datuk Wan Azhar bin Wan Ahmad
Chairman

Dato' Abdul Rahman bin Ibrahim
Member

Asri bin Hamidon
Member

Dato' Izham bin Yusoff
Member

Dato' Haji Abd Rahim bin Man
Member

BOARD NOMINATION, REMUNERATION AND ESOS COMMITTEE

Dato' Abdul Rahman bin Ibrahim
Chairman

Asri bin Hamidon
Member

Datuk Mohd Nasir bin Ahmad
Member

Dato' Haji Abd Rahim bin Man
Member

BOARD PROCUREMENT COMMITTEE

Asri bin Hamidon
Chairman

Dato' Abdul Rahman bin Ibrahim
Member

Dato' Izham bin Yusoff
Member

Datuk Wan Azhar bin Wan Ahmad
Member

COMPANY SECRETARY

Khairulmuna binti Abd Ghani
(LS No. 0008190)

REGISTERED OFFICE

Level 9, Menara BDB
88, Lebuhraya Darulaman
05100 Alor Setar
Kedah Darul Aman
Tel: (04) 730 0303
Fax: (04) 734 2714
E-mail: bina_darulaman@bdb.com.my
Website: www.bdb.com.my

KUALA LUMPUR OFFICE

Level 13A, Menara Glomac
Glomac Damansara
Jalan Damansara
60000 Kuala Lumpur
Tel: (03) 7710 3303
Fax: (03) 7710 7303

SHARE REGISTRAR

Bina Management (M) Sdn Bhd
Lot 10, The Highway Centre
Jalan 51/205
46050 Petaling Jaya
Selangor Darul Ehsan
Tel: (03) 7784 3922
Fax: (03) 7784 1988

AUDITORS

KPMG
Level 18, Hunza Tower
163E Jalan Kelawei
10250 Penang
Tel: (04) 238 2288
Fax: (04) 238 2222

SOLICITOR

Kadir Andri & Partners
Level 10, Menara BRDB
285 Jalan Maarof
59000 Kuala Lumpur
Tel: (03) 2780 2888
Fax: (03) 2780 2832

PRINCIPAL BANK

Affin Islamic Bank Berhad
No. 147 & 148,
Susuran Sultan Abdul Hamid 8
Kompleks Sultan Abdul Hamid
Fasa 2, Persiaran Sultan
Abdul Hamid
05050 Alor Setar
Kedah Darul Aman
Tel: (04) 772 1477
Fax: (04) 771 4796

STOCK EXCHANGE LISTING

Listed on the Main Board of
Bursa Malaysia Securities Berhad
Stock Name: BDB
Stock Code: 6173

Profile of **Directors**

Standing from the left :
Asri bin Hamidon, Datuk Wan Azhar bin Wan Ahmad, Datuk Mohd Nasir bin Ahmad, Dato' Abdul Rahman bin Ibrahim.

Sitting from the left :
Dato' Izham bin Yusoff, Dato' Paduka Haji Rasli bin Basir, Dato' Haji Abd Rahim bin Man.

DATO' PADUKA HAJI RASLI BIN BASIR

Non-Independent Non-Executive Chairman

Date of Appointment
1 January 2016

Age
62 years

Qualifications
- B.A (Hons) Anthropology & Sociology, University of Malaya
- Diploma in Public Administration (Post Graduate)
- Master in Administrative Study, Ohio University Athens at Ohio, USA

Dato' Paduka Haji Rasli bin Basir, a Malaysian aged 62, was appointed to the Board on 1 January 2016 as Non-Independent Non-Executive Chairman of Bina Darulaman Berhad (BDB).

Dato' Paduka Haji Rasli had vast experience in civil service and served Kedah Civil Service for 37 years and held various senior positions including Director of Land and Mines, State Financial Officer and Kedah State Secretary as his last position prior to retirement.

He is currently a board member of Syarikat Air Darulaman Sdn Bhd (SADA) and a member (by invitation) of Langkawi Development Authority (LADA).

Dato' Paduka Haji Rasli does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past 10 years.

DATO' IZHAM BIN YUSOFF

Group Managing Director
Non-Independent Executive Director

Date of Appointment
19 August 2013

Age
48 years

Qualifications
- Bachelor of Accounting and Master of Business Administration (Accounting & International Business) both from University of Miami, United States of America
- Associate Member of Institute of Internal Auditors Malaysia

Dato' Izham bin Yusoff, a Malaysian aged 48, was appointed to the Board on 19 August 2013 as an Independent Non-Executive Director of Bina Darulaman Berhad (BDB). He was re-designated as Non-Independent Executive Director and Group Managing Director on 1 February 2014.

Prior to working with BDB, he was the Managing Director and Chief Executive Officer of Percetakan Nasional Malaysia Berhad (PNMB) from February 2010 until 31 January 2014. He sat on numerous listed companies and was a Director of Bursa Malaysia Berhad. He was appointed as a member of the Investment Panel of Lembaga Tabung Haji effective from 1 October 2015.

Dato' Izham does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction of any offences over the past 10 years.

Dato' Izham attended 12 out of 13 Board Meetings of the Company for the financial year ended 31 December 2015.

DATO' HAJI ABD RAHIM BIN MAN

Non-Independent Non-Executive Director

Date of Appointment
7 June 2015

Age
60 years

Qualifications
- Bachelor of Art,
  Universiti Kebangsaan Malaysia

Dato' Haji Abd Rahim bin Man, a Malaysian aged 60, is a Non-Independent Non-Executive Director of Bina Darulaman Berhad. He was appointed to the Board on 7 June 2015.

Dato' Haji Abd Rahim commenced his career in 1979 as Admin Officer in PKNK before being promoted to General Manager (Operation) of Perbadanan Kemajuan Negeri Kedah (PKNK). On 1 May 2015, he was appointed Chief Executive of PKNK, a position he currently holds.

Dato' Haji Abd Rahim is also a Chairman of Syarikat Kayu-Kayan Kedah Sdn Bhd, Seri Temin Development Corporation (M) Sdn Bhd and Kampung Buku Langkawi Sdn Bhd.

Dato' Haji Abd Rahim does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for any offences over the past 10 years.

Dato' Haji Abd Rahim attended 6 out of 7 Board Meetings of the Company for the financial year ended 31 December 2015.

Datuk Mohd Nasir bin Ahmad, a Malaysian aged 61, is a Senior Independent Non-Executive Director of Bina Darulaman Berhad. He was appointed to the Board and as Chairman of the Audit Committee on 27 February 2009.

Datuk Mohd Nasir started his career in 1979 as a Trainee Accountant before rising to be a Manager in various departments of the Finance Division of Tenaga Nasional Berhad (TNB). In January 1993, he joined Malaysia Transformer Manufacturing Sdn Bhd (MTM), a subsidiary of TNB as the Financial Controller/Company Secretary, before being made Chief Executive in June 1994. In January 2000, he joined Sharikat Permodalan Kebangsaan Berhad as Chief Executive Officer. On 1 June 2001, he was appointed Chief Executive Officer of Perbadanan Usahawan Nasional Berhad, a position he held until his retirement on 1 June 2011.

In addition to Bina Darulaman Berhad, Datuk Mohd Nasir also serves as Independent Non-Executive Director of Sumatec Resources Berhad, CIMB Group Holdings Berhad, CIMB Bank Berhad, CIMB Group Sdn Bhd, MIMOS Berhad, SIRIM Berhad, SIRIM Tech Venture Sdn Bhd, Media Prima Berhad, Synchrosound Studio Sdn Bhd, Prokhas Sdn Bhd and as Chairman of UKM Holdings Sdn Bhd. He is also Chairman of the Audit Committee of MIMOS Berhad and SIRIM Berhad.

Datuk Mohd Nasir is also a member of the Board of Universiti Kebangsaan Malaysia, the Board of Trustees of Yayasan Canselor UNITEN and an Adjunct Professor with Universiti Utara Malaysia (UUM) besides being a member of Listing Committee, Bursa Malaysia and a Council Member of Association of Chartered Certified Accountants (UK).

Datuk Mohd Nasir does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for any offences over the past 10 years.

Datuk Mohd Nasir attended 11 out of 13 Board Meetings of the Company for the financial year ended 31 December 2015.

DATUK MOHD NASIR BIN AHMAD

Senior Independent Non-Executive Director

Date of Appointment
27 February 2009

Age
61 years

Qualifications
- Fellow of the Association of Chartered Certified Accountants (UK)
- Chartered Accountant, Malaysian Institute of Accountants
- MBA (Finance), Universiti Kebangsaan Malaysia

DATO' ABDUL RAHMAN BIN IBRAHIM

Non-Independent Non-Executive Director

Date of Appointment
23 August 2006

Age
60 years

Qualifications
- Bachelor of Economics (Hons), University of Malaya
- MBA, Santa Clara University, United States of America

Dato' Abdul Rahman bin Ibrahim, a Malaysian aged 60, is a Non-Independent Non-Executive Director of Bina Darulaman Berhad. He was appointed to the Board on 23 August 2006.

Dato' Abdul Rahman started his career as Assistant Economist, Bank Negara Malaysia in 1977 after graduating from University of Malaya. He later joined Perbadanan Kemajuan Negeri Kedah (PKNK) in 1979 as Assistant Project Officer. He was appointed Chief Executive of PKNK on 1 July 2006 and his service ended with PKNK on 1 April 2015 due to retirement.

In addition to Bina Darulaman Berhad, Dato' Abdul Rahman is also a Director of Kedah Medical Centre Sdn Bhd, KSDC Insurance Brokers Sdn Bhd, Tanjung Rhu Land Sdn Bhd and Kukuh Majusama Sdn Bhd.

Dato' Abdul Rahman does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for any offences over the past 10 years.

Dato' Abdul Rahman attended 9 out of 13 Board Meetings of the Company held in the financial year ended 31 December 2015.

ASRI BIN HAMIDON

Independent Non-Executive Director

Date of Appointment
30 December 2013

Age
50 years

Qualifications
- B.Econs of University of Malaya
- MA (Economy) from University of Hiroshima, Japan
- Diploma in Public Administration
- Attended Harvard Premier Business Management Programme

Asri bin Hamidon, a Malaysian aged 50, was appointed to the Board on 30 December 2013 as an Independent Non-Executive Director of Bina Darulaman Berhad (BDB) and an Audit Committee Member.

Encik Asri began his career as Assistant Director of the Economic Planning Unit in Prime Minister's Department. He was later appointed Assistant Director of the Anti-Corruption Agency before serving as Administrative and Diplomatic Officer in the Public Service Department and then Principal Assistant Secretary in the Ministry of Finance.

Encik Asri is currently a Secretary of Government Investment Company Division at the Ministry of Finance. He is a member of Administrative and Diplomatic Officer Association.

He is also a Director in SME Bank, Sarawak Hidro Sdn Bhd, Syarikat Perumahan Negara Berhad ("SPNB"), Malaysia Convention and Exhibition Bureau ("MyCEB"), IJN Holdings Sdn Bhd, Suruhanjaya Pengangkutan Awam Darat (SPAD), Prokhas Sdn Bhd, DanaInfra Nasional Berhad and Telekom Malaysia Berhad (Alternate Director).

Encik Asri does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past 10 years.

Encik Asri attended all 13 Board Meetings of the Company for the financial year ended 31 December 2015.

DATUK WAN AZHAR BIN WAN AHMAD

Independent Non-Executive Director

Date of Appointment
9 October 2014

Age
57 years

Qualifications
- Master in Business Administration (International Business) from National University San Diego, CA, USA
- Bachelor in Business Administration (Finance) from University of Pacific, Stockton, CA, USA

Datuk Wan Azhar bin Wan Ahmad, a Malaysian aged 57, was appointed to the Board on 9 October 2014 as an Independent Non-Executive Director of Bina Darulaman Berhad (BDB).

Datuk Wan Azhar began his career in 1985 as Loans Executive and left Hong Leong Bank in 1993 as Head of Branches Operation. He was then appointed a Manager in Credit Guarantee Corporation Malaysia Berhad (CGC) by Bank Negara Malaysia in 1993. In 1995, he was promoted to an Assistant General Manager and subsequently to Chief Executive Officer in 1997. He was later appointed to the Board of Directors as Managing Director in 2000. Datuk Wan Azhar was also Chairman of Credit Bureau Malaysia from 2008 to 2014. One of the highlights of his career is the transformation of CGC from a traditional credit guarantee provider into a market-driven and financially sustainable SME-support institution.

Datuk Wan Azhar is currently the Chairman of the Small Debt Restructuring Committee (SDRC) at Bank Negara Malaysia and a Consultant at the World Bank for Finance and Markets.

He also sits on the Board of Bank Pembangunan Malaysia Berhad, Alliance Bank Malaysia Berhad, Alliance Islamic Bank and the Board of Trustee for NAMA Foundation based in Jeddah.

Datuk Wan Azhar does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has no conviction for offences within the past 10 years.

Datuk Wan Azhar attended 12 out of 13 Board Meetings of the Company for the financial year ended 31 December 2015.

Senior **Management**

Middle: **Dato' Izham bin Yusoff**
Group Managing Director

Left to right:

Ilias bin Ismail
Acting Club Manager,
BDB Darulaman Golf Resort Berhad

Noor Rosli bin Mohd Ali
Executive Director,
BDB Synergy Sdn Bhd

Zakba bin Shafie
Senior Manager,
Group Procurement

Anuar bin Bahador
Acting Head of Sales,
BDB Land Sdn Bhd

Khairulmuna binti Abd Ghani
General Manager / Company Secretary, Group Corporate Services & Legal

Mohd Rizal bin Zubair
Chief Financial Officer,
Group Finance & Accounts

Mohd Iskandar Dzulkarnain bin Ramli
Senior Manager,
Group Corporate Planning & Enterprise Risk Management

Sajahan bin Abdul Waheed
Senior Manager,
Group Corporate Communications

Tahir bin Md. Zin
General Manager,
Group Business Development

Muhammad Syukri bin Dollah
Manager,
Group Information & Technology

Mohammad Fauzi bin Harun
Senior Manager,
Group Graphic Design

Rosmin binti Said
Manager,
Group Human Resource & Administration

Mohd Firdaus Shah bin Amar Shah
Manager,
Group Corporate Assurance

Mohd Sobri bin Hussein
Executive Director,
BDB Infra Sdn Bhd

Mohamad Sohaimi bin Mohd Yusoff
Head of Sales,
Kedah Holdings Sdn Bhd

Chairman's **Statement**

Dear Valued Shareholder,

As a company which has celebrated its 20th anniversary, we have taken a consistent journey towards achieving quality in every aspect of our business. Despite the challenging global and local economic environment, the Group remained resilient and delivered a solid performance for the financial year 2015.

OVERVIEW

The Group registered revenue of RM243.3 million for the year under review, a decrease of 26% from RM328.9 million posted in 2014. However, there is slight increase of profit before taxation by 20% to RM40.8 million compared to RM33.9 million recorded in 2014. Net profit for the year recorded consistent performance by achieving RM24.2 million, similar to that in 2014.

Meanwhile, Net Tangible Assets per Share is at RM1.66 whereas Earning per Share (EPS) is at 8.35 sen, lower than that recorded in the previous year. The Group's core borrowing is low. The non-core borrowing, which forms the bulk, is back to back with the Kedah State Government under a Private Finance Initiative (PFI) contract for the construction of Kolej Universiti Insaniah.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Beyond our focus of maximising shareholders value and capturing growth opportunities, BDB is becoming more involved in supporting socially responsible initiatives and setting sustainable standards for the industry. Our commitment to CSR is based on the thrusts of delivering high quality products; practising good corporate governance and investor relations; caring for the development and well-being of our employees; implementing environmentally sound practices and processes; and enriching the lives of the local communities through charitable programmes. By broadening our CSR scope, we will continue our growth as a socially responsible company.

CORPORATE GOVERNANCE

BDB subscribes and will continue to uphold the principles of good corporate governance. We believe it is the only platform to ensure sustainable enhancement of our shareholders' value. Our practices are set out in our Statement of Corporate Governance on pages 53 to 62. There were no sanctions and/or penalties imposed on the Company and subsidiaries, directors or management by the relevant regulatory authorities.

RELATED PARTY TRANSACTIONS

Except for those disclosed in Note 29 of the Financial Statements, there were no material contracts involving either the major shareholders or any of the Directors.

ACKNOWLEDGEMENTS

On behalf of the Board, I wish to express my sincere gratitude and appreciation to the Management, staff, shareholders, various government agencies, clients, consultants, financiers, contractors, suppliers and business partners who have contributed significantly to our success through their continuous support and confidence.

I would like to extend my appreciation to fellow Board Members who have been incredibly supportive since my appointment in early 2016. I am certain that we can look forward to accomplishing great things together in the future.

Last but not least, I wish BDB all the best in its future endeavours as it continues to deliver positive financial performance for its stakeholders.

Thank you.

Dato' Paduka Haji Rasli bin Basir
Chairman

Group Managing Director's **Review of Operations**

Dear Valued Shareholder,

2015 marks an eventful year for Bina Darulaman Berhad (BDB) with the Group recording a strong performance in a challenging business environment.

Financial Highlights

The Group registered revenue of RM243.3 million for the year under review, a decrease of 26% from RM328.9 million posted in 2014. The Group's profit before tax recorded a strong performance against last year, with an increase of 20% to RM40.8 million against RM33.9 million in 2014. Meanwhile, profit after tax recorded consistent performance by achieving RM24.2 million, similar to that in 2014.

The Property Division recorded revenue of RM107.0 million compared to RM166.1 million in 2014, a decrease of 36%. Similarly, profit contribution from the Division at RM17.9 million was lower than RM18.9 million, or 5% decrease recorded in 2014. This decline in revenue was mainly due to a tighter housing loan environment which directly affected revenue and profit recognition. However, the Division remains the largest contributor to the Group's revenue at 44% of the Group's revenue.

The Roads & Quarry Division recorded revenue of RM102.6 million compared to RM85.0 million in 2014, an increase of 21%. Similarly, profit grew by 106% from RM11.9 million in 2014 to RM24.6 million in 2015. The Division recorded stellar performance during the year since its incorporation due to the commencement of Kedah State Road Maintenance (SRM) projects amounting to RM69.8 million and a recovery of doubtful debt amounting to RM4.7 million.

The Engineering & Construction Division recorded lower revenue of RM26.0 million in comparison to last year's revenue of RM70.8 million due to higher external number of projects recognised in 2014. Meanwhile, profit for the year was at RM16.3 million against RM11.8 million in 2014 due to recognition of lower project costs upon finalisation of accounts.

The Golf & Hotel Division recorded higher revenue of RM5.5 million against RM5.0 million in 2014. However the losses grew by 78% to RM1.8 million. This was due to the much-needed repairs and maintenance of the course and the clubhouse facilities.

Dividend

The Board of Directors has recommended the payment of a first and final single tier dividend of 4 sen per share for the financial year ended 31 December 2015. The rate of dividend is higher than previous year of 3.5 sen in view of the Company's respectable financial performance.

The recommended dividend payment reflects our sincere appreciation to all our shareholders for giving us the support and confidence to steer the Group to where it is today.

PROSPECTS

Property Division

The Property Division is expected to achieve reasonable performance given the encouraging responses for its launches in Taman Tunku Intan Syafinaz and also in Darulaman Perdana and Darulaman Utama.

The Division, in which BDB Land was the main developer besides Kedah Holdings Sdn Bhd, has launched over RM271.2 million of Gross Development Value in 2015. In the coming year, it is estimated that launches of RM485.4 million will take place, of which RM236.7 million is in Bandar Darulaman, RM117.0 million in Darulaman Perdana and RM131.7 million

in Darulaman Utama. The estimated total of 1,343 homes is expected to be launched this coming year. A significant portion of the launches would be in the affordable homes category to fulfill market demands and the aspirations of the Kedah State Government.

The Division has also undergone township rebranding exercises since the start of 2016 based on four development pillars: technology, community, healthy living and nature. Amongst the initiatives to be undertaken are the provision of high speed broadband, green corridors and public spaces. The establishment of auxiliary police within the three townships will further ensure higher levels of security.

In addition, all three townships will carry out extensive landscape improvements in the next few years to enhance the townships' appeal.

Kedah Holdings would be focusing on pocket developments for the Group. It is expected to begin developing three land parcels in 2016 including our maiden housing project in Kuala Kangsar, Perak.

Roads & Quarry Division

The Division would continue to implement State Road Maintenance in 2016 throughout Kedah. The three-year contract which commenced in 2015 lends earnings stability to the Division and maximises outputs from the in-house quarry and premix plant.

As part of expansion plans, a new premix plant is scheduled to start operations in Kulim, Kedah in 2016 and a new quarry plant in 2017. The new plants would tap into demands for premix and aggregates coming from Penang and Northern Perak customers.

Engineering & Construction

The Engineering & Construction Division will be focusing its efforts on Projek Perumahan Rakyat in Air Hitam and Pokok Sena Water Treatment Plant in 2016.

Besides those projects, the Division will continue to be the main contractor for all Property Division construction requirements. The Division will collaborate with the Property Division to enhance product quality, and introduce eco-friendly products as well as township features.

The Division is also actively working with various state and federal agencies to develop affordable housing projects throughout Kedah.

Golf & Hotel

The Golf & Hotel Division is expected to register reasonable performance in 2016 by leveraging off the Visit Kedah Year 2016 promotions. Various promotions that would promote golfing holidays at DGCC will be marketed through various marketing channels. The investments in 2015 would start to bear fruit in 2016 as DGCC would be hosting a few top-notch golf tournaments including PGM ADT in April 2016.

The Division has embarked on numerous initiatives in 2015. In line with the rebranding exercise of BDB Group, it has enhanced the hotel by upgrading the rooms and equipment as well as applying a new coat of paint on the building. The golf course has also been upgraded to tournament standard, along with improved services to meet avid golfers' expectations. These initiatives are expected to increase the competitiveness and revenue of the Division, thus re-establishing DGCC as the Pride of the North.

CONCLUSION

Despite strong headwind in 2015 arising from challenging economic conditions and stringent housing loan requirements, BDB managed to sail through with another record-breaking financial performance. The achievement would not be possible without diligent planning and execution by BDB staffs. I would like to commend the staffs for their willingness to go the extra mile, think beyond what has been practised in the past and believe in our push to grow beyond existing boundaries.

On behalf of the Management, I would also like to thank the Board of Directors, our shareholders, stakeholders and business associates for their continued support and belief in our strategies and plans to bring BDB to greater heights.

I would also like to welcome our new Chairman of Bina Darulaman Berhad, Dato' Paduka Haji Rasli bin Basir, and our new board member, Dato' Haji Abd Rahim bin Man. Their experience and knowledge will greatly enhance our board deliberations.

2016 would be another challenging year for the Property Division, given the bearish property market sentiment that began since 2015. As much as it is a challenge, it also presents an opportunity for BDB. Given our strong track record as a property developer with improved product offerings and ample supply of affordable homes, we envisage continued strong take-up at our product launches. Our Property Division will adopt more aggressive promotions to attract first-home owners and upgraders through Property Fiestas and financing tie-ups with selected financial institutions.

Our earnings in 2016 will be bolstered by strong contributions from the Road and Quarry Division arising from State Road Maintenance Contract and work orders from Edgenta as well as PROPEL. Meanwhile the Property Division and Engineering & Construction Division will continue to provide sustainable earnings to the Group.

We have made progress in creating a sustainable and profitable group of companies. Despite the continuing tough economic environment that affects the property and construction business, we are determined to rise through and emerge as a strong competitor.

We will venture **Beyond Boundaries** to seek new areas of growth to elevate Group profitability.

Thank you.

Dato' Izham bin Yusoff
Group Managing Director

Notice of 21st Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 21st Annual General Meeting of Bina Darulaman Berhad (the Company) will be held at Majestic 2, Level 3, The Majestic Hotel Kuala Lumpur, 5, Jalan Sultan Hishamuddin, 50000 Kuala Lumpur on Thursday, 31 March 2016 at 11.00 a.m. to transact the following businesses:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon. **(See Explanatory Note 1)**

2. To approve a first and final single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 December 2015. **(Resolution 1)**

3. To approve the payment of Directors' Fee for the financial year ended 31 December 2015. **(Resolution 2)**

4. To re-elect the following Directors retiring pursuant to Article 86 of the Company's Articles of Association and who, being eligible, offer themselves for re-election.

   i. Dato' Paduka Haji Rasli bin Basir **(Resolution 3)**
   ii. Datuk Mohd Nasir bin Ahmad **(Resolution 4)**
   iii. Dato' Haji Abd Rahim bin Man **(Resolution 5)**

5. To re-appoint Messrs. KPMG as Auditors of the Company for the ensuing year and to authorise the Directors to determine their remuneration. **(Resolution 6)**

6. To transact any other ordinary business of which due notice shall have been received.

NOTICE OF DIVIDEND PAYMENT AND BOOK CLOSURE

NOTICE IS HEREBY GIVEN THAT, a first and final single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 December 2015, if approved by the shareholders, will be paid on 12 May 2016 to Depositors whose names appear in the Record of Depositors on 14 April 2016.

A depositor shall qualify for entitlement to the dividend only in respect of:

a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 14 April 2016 in respect of ordinary transfer; and

b) Shares bought on the Bursa Malaysia Securities Berhad (Bursa Malaysia) on a cum entitlement basis according to the Rules of the Bursa Malaysia.

By Order of the Board,

KHAIRULMUNA BINTI ABD GHANI
(LS 0008190)
Company Secretary
Alor Setar
Kedah Darul Aman

Date: 9 March 2016

Notes

1. With regards to deposited securities, only members whose names appear in the Record of Depositors as at 25 March 2016 shall be eligible to attend and vote at the meeting.

2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint up to two proxies to attend and vote in his stead. A member shall specify the shareholding proportion where two proxies are appointed. A proxy need not be a member of the Company.

3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.

4. The instrument appointing a proxy together with the power of attorney or other authority, shall be deposited at the Company's Registered Office at Level 9, Menara BDB, 88, Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman not less than forty eight (48) hours before the time set for holding the meeting or at any adjournment thereof.

5. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd ("Depository") in accordance with Rules of the Depository, to issue Record of Depositors and make available to the Company pursuant to Article 52(iii) of the Company's Articles of Association and Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

EXPLANATORY NOTES ON ORDINARY BUSINESS:

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

The Audited Financial Statements in Agenda 1 is meant for discussion only as the approval of Shareholders is not required pursuant to the provision of section 169(1) of the Companies Act 1965. Hence this Agenda is not put forward for voting by Shareholders of the Company.

2. FINAL DIVIDEND OF 4 SEN PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

On 21 February 2016, the Board declared a final dividend of 4 sen per ordinary share and is subject to the approval of the shareholders at this Annual General Meeting.

3. RE-ELECTION OF DIRECTOR PURSUANT TO ARTICLE 86

Directors who are standing for re-election or re-appointment at the 21st Annual General Meeting are Dato' Paduka Haji Rasli bin Basir, Datuk Mohd Nasir bin Ahmad and Dato' Haji Abd Rahim bin Man. The profiles of the Directors who are standing for re-election or re-appointment are set out on pages 21 to 27 of the Annual Report.

4. APPOINTMENT OF AUDITORS

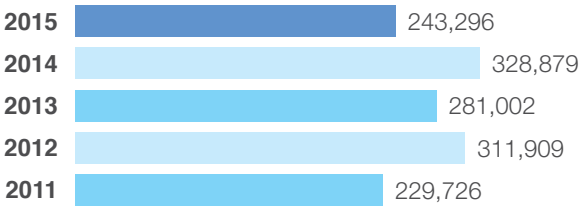
The Board Audit Committee (BAC) has considered the re-appointment of Messrs KPMG as Auditors of the Company based on criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements. Both the BAC and the BOD had on 14 February 2016 recommended the re-appointment of Messrs KPMG as Auditors of the Company.

Five Years
Group Financial Highlights

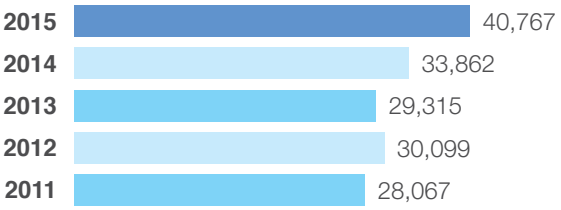
	2011	2012	2013	2014	2015
Revenue	229,725,767	311,908,919	281,002,192	328,878,785	243,296,388
Profit Before Taxation	28,066,733	30,099,475	29,314,815	33,862,477	40,766,720
Net Profit	19,547,043	21,680,042	21,139,791	24,160,279	24,199,680
Share Capital	72,815,856	72,815,856	72,815,856	72,815,856	303,854,977
Earnings Per Share (sen)	26.85	29.78	29.04	16.60	8.35*
Shareholders' Funds	231,410,727	249,183,545	265,229,702	284,290,031	505,103,532
Net Tangible Assets Per Share (RM)	3.18	3.42	3.64	3.90	1.66
Dividend Per Share (sen)	7.00	7.00	7.00	3.50	4.00
Dividend Payment (Net)	3,913,852	5,097,110	5,097,110	10,634,924	12,154,199**

*Due to increase in share capital.
**Subject to shareholders' approval.

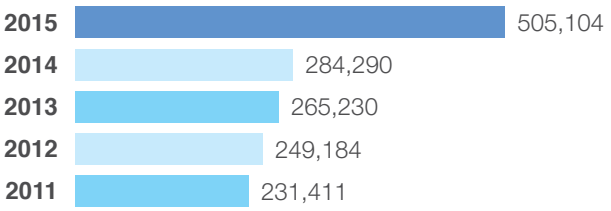
Revenue
(RM'000)



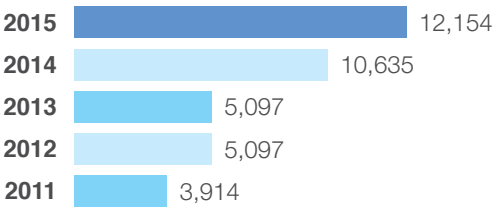
Profit Before Tax
(RM'000)



Shareholders' Funds
(RM'000)



Dividends
(RM'000)

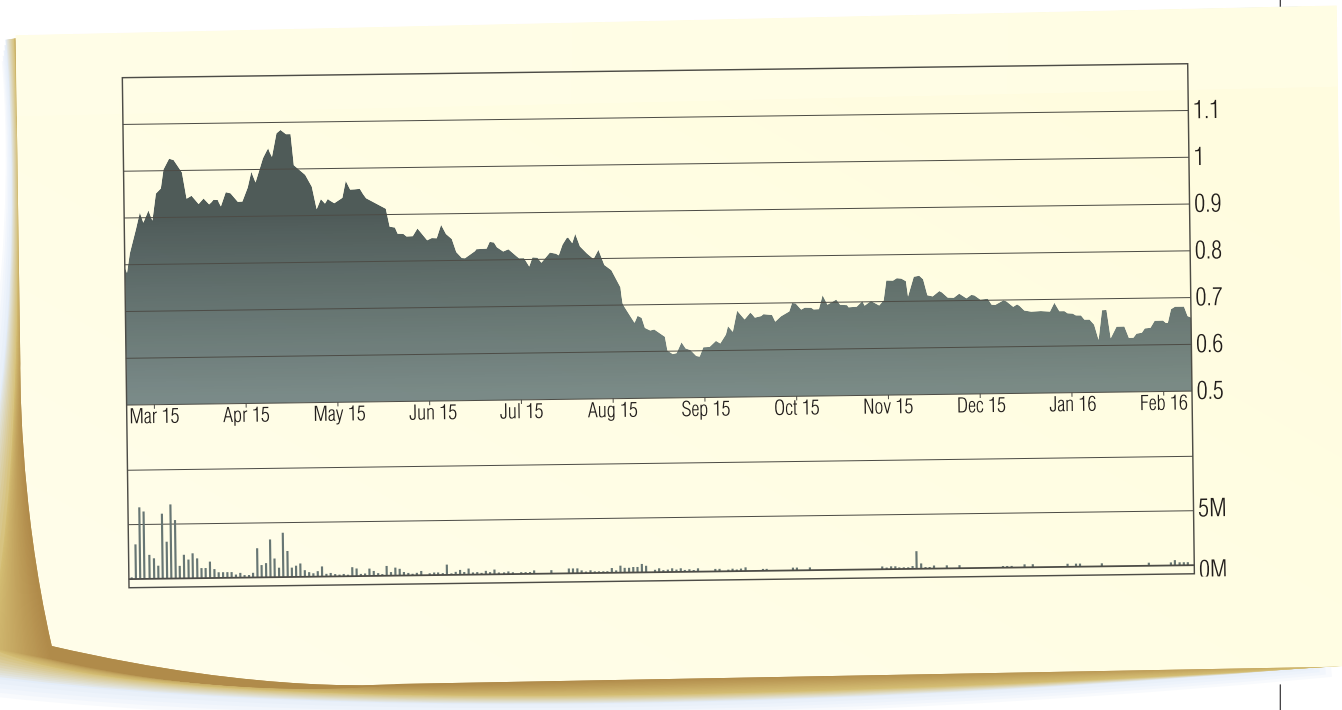


Financial **Calendar**

Financial Year End	31.12.2015
ANNOUNCEMENT OF RESULTS	
• First Quarter	26.05.2015
• Second Quarter	27.08.2015
• Third Quarter	23.11.2015
• Fourth Quarter	18.02.2016
Notice of Annual General Meeting	09.03.2016
ANNUAL GENERAL MEETING	31.03.2016
DIVIDEND	
• First & Final Single Tier	
• Announcement Date	09.03.2016
• Record Date	14.04.2016
• Payment Date	12.05.2016

Share Price **Movement**

BINA DARULAMAN BERHAD Period: 25 February 2015 until 25 February 2016



SUMMARY

Highest price during this period is **RM1.090** on **16 April 2015**
Lowest price during this period is **RM0.585** on **3 September 2015**
Highest volume during this period is **68,271** on **10 March 2015**

Corporate **Social Responsibility (CSR)**

As an organisation with strong core values, Bina Darulaman Berhad (BDB) recognises the importance of balancing its business operations and fulfilling its Corporate Social Responsibility (CSR) to achieve long-term sustainable growth. The CSR initiatives in BDB are primarily built on the four pillars aligned with BDB's business to integrate education and knowledge, religious, sporting and leisure, and community engagement in close collaboration with the general public.

Driving and participating in various portfolios of community engagement activities, BDB has created positive vibes between the society and organisation through its employees' participation in CSR activities. In 2015, various activities were undertaken.

1. Community Engagement

As part of its community engagement initiatives, BDB organised several community servicing activities to reach out to the underprivileged and less fortunate families. Among the activities were visits to houses of the needy and looking into their needs especially in financial aspects. The other activities include shopping for new clothes with the orphans for the Hari Raya celebration.

During the year, BDB has also given corporate sponsorships to relevant stakeholders and organisations in support of their community projects. This is another BDB initiative to enhance rapport between BDB and the local community.

2. Religious

BDB has initiated various religious activities to ensure a balanced lifestyle between work and spiritual well-being. As such, BDB has contributed towards various religious activities especially in distributing its Zakat alms and cash contributions during Iftar events and handing over Qurban meat in conjunction with the Aidiladha celebration.

3. Education

Education is one of the essence of BDB's CSR programme and the organisation has partaken in various activities for this cause. Among the activities were the Back-to-School Programme where school children from selected schools throughout Kedah were given a set of school uniform and stationeries to lessen the burden of their parents in preparing for the new school term.

In addition, BDB contributed various education incentives such as the Education Excellence Incentives for its employees' children who achieved excellent results in various examinations and BDB Smart Camp where the participants were given the exposure in various new approaches in education and self-building.

4. Sporting and Leisure

To achieve a work-life balance, BDB has organised various sporting activities to develop and involve the community. The BDB Fun Run in conjunction with Malam di Ambang Merdeka is part of its initiatives to get the involvement of the community in the sporting and leisure aspects.

BDB contributed towards the Flood Relief Fund Raising movement by organising the BDB Charity Golf in aid of the flood victims in Kelantan in early 2015.

January

Flood Relief Charity Golf 2015

February

Charity Fun Run, Fun Ride and Busking

February to April

BDB Zakat Distribution programmes

June to July

Iftar programmes and presentation of money and food items to the poor, needy and the underprivileged


RM5,000.00


Berbuka Puasa
RM5,000.00

September

Contribution of 120 cattle for Qurban in conjunction with Hari Raya Aidiladha

December

Back-to-School programme

A YEAR OF ACHIEVEMENTS

January

Handing over of keys for Desa Bidara (Kuala Ketil) affordable houses

April

BDB's 20th Anniversary celebrations and unveiling of new logo

April

Bina Darulaman Berhad 20th Annual General Meeting

June

Launching of property development at Taman Tunku Intan Safinaz (TTIS) Township and groundbreaking ceremony of mosque

August

BDB Hari Raya open houses in Jitra

BDB Hari Raya open houses in Kuala Lumpur

Signing ceremony between BDB Infra and OCBC Bank & BDB Land and Maybank

October

Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi's visit to Darulaman Golf and Country Club

Hi-Tea Executive Talk with former International Trade and Industry Minister, Tan Sri Rafidah Aziz

Corporate Governance Statement

The Board of Directors of Bina Darulaman Berhad ("BDB" or "the Company") is committed and continues to observe corporate governance practices that are best suited to achieve the long-term strategic objectives and short-term goals of the BDB Group of Companies ("the Group").

This Corporate Governance Statement ("Statement") has been made in accordance with the resolution and authority of the Board on 21 February 2016.

In implementing the corporate governance practices and ensuring compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), the Board has been guided by the Malaysian Code on Corporate Governance 2012 ("MCCG 2012"). This Statement reports on how the Company has applied the principles and recommendations of good corporate governance during the financial year ended 31 December 2015, having considered the Group's structure, business environment and industry practices.

The Company complies with the various guidelines issued by Bursa Malaysia and the Securities Commission ("SC") relating to disclosure and internal audit functions.

The Board is pleased to present the Company's Corporate Governance report for the year under review, which explaining the application by the Board on the Principles of MCCG 2012:-

Principle 1 – Establish clear roles and responsibilities

BOARD OF DIRECTORS

1. The Board

The Board is entrusted with leading and managing the Company in an effective and responsible manner towards realising long-term shareholders' value. The Directors, collectively and individually, are aware of their responsibilities to shareholders and stakeholders in managing the Company's affairs. The Board sets the Company's values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.

The Board meets at least twice every quarter with additional meetings convened as and when necessary. For the financial year ended 31 December 2015, thirteen (13) Board Meetings were held and each Director attended more than 50% of the total meetings held during the year. Details of attendance and a brief profile of each member of the Board are set out in the Directors' Profile section from page 21 until page 27 of this Annual Report.

2. Board Charter

The Board implemented its Board Charter on 25 May 2015 ("the Charter"). The Charter sets out the roles, responsibilities, composition, operation and processes of the Board of Directors. It serves to guide the Board members in discharging their duties and responsibilities diligently and effectively at all times.

The Board will periodically review and update its Charter in accordance to the needs of the Company and to comply with any new regulations that may have an impact on the way in which the Directors and the Board as a whole discharges its duties.

The Board Charter is available at the Company's website at www.bdb.com.my.

3. Duties and Responsibilities

The Board is led by Y.Bhg. Dato' Paduka Haji Rasli bin Basir ("Dato' Paduka"). He was appointed to the Board of the Company as Chairman on 1 January 2016. Before the appointment of Dato' Paduka as the Chairman of the Company, Dato' Abdul Rahman bin Ibrahim, Non-Independent Non-Executive Director was elected to chair the board meetings from 6 April 2014 until 12 December 2015.

The Board is responsible for the corporate governance practices of the Group. It includes establishing and monitoring the corporate vision and mission as well as setting the aims and performance of the Management.

The year 2015 marked the new era of BDB with the launching of its new brand and logo in April 2015. The tagline "Spirit of Achievement" was launched and implemented throughout the Group.

With regard to compliance, the Company's Articles of Association outlines the powers and duties assumed by the Board in addition to its statutory and fiduciary duties and responsibilities. The Board plays a strategic role in its review and approval of the Group's budgets and performance targets to ensure effective use of the Group's resources and profitability of the Group's businesses in an ever-changing environment.

The Board is responsible for establishing and reviewing the strategic direction of the Group. The Board also oversees and evaluates the conduct of the Group's businesses, identifies the principal risks and ensures that the risks are properly managed. In ensuring that the policies and procedures are duly implemented in the Group's operation, the Board is tasked with developing and implementing an investor's relations programme or shareholder communication policy; and reviewing the adequacy of the internal control policy.

4. Board Balance and Independence

The Board comprises seven (7) members, six (6) of whom are Non-Executive Directors. Amongst the Non-Executive Directors, three (3) are Independent Directors. This provides an effective check and balance of the Board's function and is in compliance with the MMLR which require at least one-third (1/3) of the Board to be independent.

The Board believes that its present composition constitutes an optimal size for the Group's current business profile, which is appropriate to lead the Group effectively on its future thrust for business growth. The Board's composition consists of qualified individuals with a broad base of industry knowledge, experience and technical skill necessary in the management and direction of the Group.

Although all the Directors have equal responsibilities for the Group's operations, the roles of the Independent Directors are particularly important in bringing independent judgement and ensuring all issues proposed by the executive management are fully discussed and examined to take into account the long-term interests, not only of the shareholders, but also of other stakeholders such as the employees, customers and business associates.

The Board is assisted by four (4) Board Committees namely the Board Audit Committee ("BAC"), the Board Nomination, Remuneration and ESOS Committee ("BNREC"), the Board Risk Committee ("BRC") and the Board Procurement Committee ("BPC"). Each Committee operates within its respective defined terms of reference which have been approved by the Board.

The Board is guided by the documented and approved Terms of Reference ("TOR"), Standard Operating Procedures ("SOP") and Delegated Authority Limits ("DAL"). These guidelines define matters specifically reserved for the Board as well as day-to-day management of the Group delegated to the Group Managing Director ("GMD").

In performing their duties, all Directors are assisted by the Company Secretary who plays an important advisory role. The Company Secretary must fulfil the functions for which she has been appointed. The Directors, if necessary, may seek independent professional advice about the affairs of the Group.

5. Board Meetings

The Board meetings for each financial year are scheduled before the end of the preceding financial year, to enable the Directors to plan ahead and fit the year's meetings into their own schedules.

During the financial year ended 31 December 2015, the Board met thirteen (13) times. The details of the attendance are as follows:-

Director	Directorship	Total meetings attended
Dato' Paduka Haji Rasli bin Basir	Chairman	(Appointed with effect on 1 January 2016)
Dato' Izham bin Yusoff	Executive Director	12 / 13
Dato' Haji Abd Rahim bin Man	Non-Independent Non-Executive Director	6 / 7 (Appointed with effect on 7 June 2015)
Datuk Mohd Nasir bin Ahmad	Senior Independent Director	11 / 13
Dato' Abdul Rahman bin Ibrahim	Non-Independent Non-Executive Director	9 / 13
Asri bin Hamidon	Independent Director	13 / 13
Datuk Wan Azhar bin Wan Ahmad	Independent Director	12 / 13

Board papers with sufficient notice are distributed to Directors before Board meetings to enable the Directors to peruse and have the opportunity to seek additional information, and obtain further explanation and clarification on the matters for deliberations. The senior management is invited to attend the Board meetings to report on matters relating to their areas of responsibility. They also attend to brief and provide details on recommendations to assist the Directors whenever necessary so as to enable the Directors to make independent and informed decisions.

The Board will be notified by the Company Secretary on quarterly basis to update their disclosure of interests under Section 132(2) of the Companies Act, 1965. In the event of potential conflict of interest, the Director concerned will make a declaration at the meeting and shall abstain from deliberation and decision of the Board on the proposal. During the Board meetings, the Non-Executive Directors are briefed on, amongst others, major operational, financial and corporate issues, activities and performance of projects, divisional performance, business outlook, major acquisition and disposal of assets including investments and changes in the requirements of regulatory bodies. Proceedings of the meetings and the resolutions reached have been duly recorded and minuted. Minutes of each Board meeting are circulated to each Director prior to confirmation of the minutes in the next meeting.

The Directors are also notified of any corporate announcements released to Bursa Malaysia. They are also notified of the restriction in dealing with the securities of the Company prior to the announcement of financial results or corporate proposals.

The BAC reviews and deliberates on the Group's financial performance and results before they are tabled to the Board for approval. The BRC reviews and deliberates on the Group Business Plan and operations, corporate exercises and strategic financial and investments decisions.

In the intervals between Board meetings, any matters requiring urgent Board decisions and/or approvals will be sought via circular resolutions which are supported with all the relevant information and explanations required for an informed decision to be made. The circular resolutions will be tabled in the next Board meeting for ratification and information.

6. The Committees

The Board delegates specific responsibilities to the respective Committees of the Board, each of whom has clearly defined terms of reference and its own functions, delegated roles, duties and responsibilities. The Board reviews the functions and terms of reference of Board Committees from time to time to ensure that they are relevant and updated in line with the MCCG 2012, the MMLR and other related policies or regulatory requirements.

The Board Committees have the authority to examine specific issues and report to the Board with their proceedings, deliberations, findings and recommendations. The Board also reviews the minutes of the Board Committees' meetings presented at Board meetings.

The Board Committees shall deliberate and thereafter recommend their decisions to the Board for its approval. During Board meetings, the Chairman of the various Committees provides summary reports of the decisions and recommendations made at the respective Board Committees' meetings and highlight to the Board any further deliberation and/or approval that is required at the Board level. The relevant decisions and recommendations of the Board Committees are incorporated into the minutes of the Board meetings accordingly.

The Board Committees are:-

1. Board Audit Committee;
2. Board Nomination, Remuneration and ESOS Committee;
3. Board Risk Committee; and
4. Board Procurement Committee

Principle 2 - Strengthen Composition

Board Nomination, Remuneration and ESOS Committee ("BNREC")

Effective 27 March 2015, the Board Nomination and Remuneration Committee ("BNRC") was renamed BNREC to undertake the Roles and Responsibilities of ESOS Committee. BNREC was established to manage the recruitment, performance assessment and remuneration process for Board members. The BNREC further sets the procedure and policy pertaining to the remuneration for employees in the Group. Among the key roles of BNREC is to determine the recruitment process for new Directors. The BNREC will consider and recommend candidates for Board's approval based on the criteria as stipulated in the TOR of BNREC. In addition to the appointment of new Directors, BNREC also recommends to the Board on the remuneration package of Directors. BNREC is chaired by Dato' Abdul Rahman bin Ibrahim. The BNREC will meet as and when required. During the year under review, four (4) meetings were held.

Directors' Remuneration

The Company's framework on Directors' remuneration has the underlying objectives of attracting and retaining Directors of high calibre needed to run the Group successfully. In the case of the Executive Director, the various components of the remuneration are structured so as to link rewards to corporate and individual performance. In the case of Non-Executive Directors, the level of remuneration reflects the expertise, experience and level of responsibilities undertaken by a particular Non-Executive Director concerned. Where applicable, the Board also considers any relevant information provided by independent consultants or from survey data.

The aggregate remuneration for the year under review consisted of the following components below:

Directors' Remuneration	Executive Director (RM)	Non-Executive Director (RM)	Total (RM)
Salaries and other emoluments**	970,309	309,500	1,279,809
Fees*	36,000	164,322	200,322
Benefits in Kind**	6,500	-	6,500
Total	1,012,809	473,822	1,486,631

* To be approved at the forthcoming Annual General Meeting ** Approved by the Board

It is not the Board's policy to disclose the remuneration of each director due to the Company's concerns for the sensitivity and confidentiality of such information. However it has resolved to disclose their salaries in the manner shown here below only for the purposes of complying with the MMLR to differentiate the numbers between executive and non-executive directors.

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
RM550,001 – RM1,100,000	1	-
RM150,001 – RM550,000	-	-
RM100,001 – RM150,000	-	3
RM50,001 – RM100,000	-	2
RM0 – RM50,000	-	-
Total	1	5

All Directors were paid meeting allowances as determined by the Board. Expenses incurred by the Directors in the course of performing their duties are reimbursed.

Principle 3 – Reinforce Independence

Appointment to the Board

The BNREC is responsible for making recommendations for the appointment of Directors to the Board, including those of subsidiaries and associated companies. The BNREC will take into consideration the right candidates with the necessary skills mix, experience and competencies to be appointed to the Board and Board Committees to ensure the effectiveness of the Board. Newly appointed Directors will be given sufficient information and/or documents to familiarise themselves with the Group's operations to better understand the Group's business.

The process of assessing the Directors is a responsibility of the BNREC and the Board.

Re-election of Directors

In accordance with the Company's Articles of Association, one-third (1/3) of the Directors or if the number is not a multiple of three (3) then the number nearest to one-third (1/3), shall retire from office at each Annual General Meeting (AGM) of the company. All retiring Directors can offer themselves for re-election.

Directors who are appointed by the Board during the year under review before the AGM are also required to retire from office and shall seek re-election at the AGM.

The Articles further provide that all Directors except GMD shall retire from office at least once in every three (3) years but shall be eligible for re-election.

The Board does not fix a tenure limit for Directors as there are significant advantages to be gained from the long-serving Directors who possess greater insight and knowledge of the Company's affairs.

Restriction on Directorships in Listed Company

Directors are required to declare respective shareholdings in the Company and related companies and their interests in any contracts with the Company or any of its related companies. Directors are also required to declare their directorships in other companies and shall abstain from any discussions and decision making in relation to these companies.

The Board members' directorship in companies other than the Company and the Group, are well within the restriction of not more than five (5) public listed companies. This is to ensure that their commitment, resources and time are focused on the affairs of the Company and the Group thereby enabling them to discharge their duties and responsibilities effectively.

Principle 4 – Foster Commitment

Directors' Training

The Board firmly believes in the continuing education of individual Director to maintain a current and effective Board. Accordingly, the Board encourages Directors to participate in ongoing education as well as participation in accredited director education programmes. As part of the application of MCCG 2012 that the Board should ensure its members have access to appropriate education programmes constantly, the Company acknowledges that continuous education is vital for the Board members to gain insight into the regulatory updates and management studies to enhance the Directors' skills and knowledge in discharging their responsibilities.

In addition to the Mandatory Accreditation Programme as required by the Bursa Malaysia, Board members are also encouraged to attend training programmes conducted by highly competent professionals that are relevant to the Company's operations and businesses. This will enable Directors to effectively discharge duties and sustain active participation in the Board deliberations.

All Directors have successfully completed the Mandatory Accreditation Programme prescribed by Bursa Malaysia. The Directors will continue to attend other relevant training programmes to keep abreast with developments on a continuous basis in compliance with the MMLR.

The Directors are also constantly updated by the Company Secretary on new and/or revised requirements to the MMLR as and when the same were advised by Bursa Malaysia.

During FY2015, all Directors had attended various training programmes, conferences and workshops which they have individually or collectively considered as relevant and useful in contributing to the effective discharge of their duties as Directors.

The Board will continually evaluate and determine the training needs of each Director, particularly on relevant new laws and regulations, and essential practices for effective corporate governance and risk management to enable the Directors to sustain their active participation in board deliberations and effectively discharge their duties.

List of Directors' Training in 2015

Directors	List of Training / Conference / Seminar / Workshop Attended/Participated
Dato' Paduka Haji Rasli bin Basir	• Utilising Auditors to Mitigate Board Risks 2015, Malaysia (16 Feb)
Dato' Izham bin Yusoff	• Expo Milano, Milan, Italy (27 Sep - 3 Oct) • 6th Annual Affordable Housing Project, Singapore (15 - 17 Apr) • Official Working Visit with Dato' Seri Menteri Besar Kedah and Kedah State GLC, Mie Prefecture & Osaka Japan (16 - 21 May)
Dato' Haji Abd Rahim bin Man	• Mandatory Accreditation Programme for Directors of Public Listed Companies, Malaysia (9 - 10 Sept)
Datuk Mohd Nasir bin Ahmad	• Personal Impact Training, ACCA UK (21 May) • Chairing Meetings, ACCA UK (18 June) • Advanced Risk Management, Minda (2 - 3 Sept) • Bursa Listing Committee Retreat, Bursa Malaysia (6 Oct) • Annual Management Summit, CIMB (20 - 21 Nov) • Internal Audit Workshop, Mimos (21 Dec)
Asri bin Hamidon	• Mandatory Accreditation Programme for Directors of Public Listed Companies, Malaysia (7 - 8 May)
Datuk Wan Azhar bin Wan Ahmad	• Advance Risk Governance and Risk Management Programme, Malaysia (12 - 13 Oct)

Principle 5 – Uphold Integrity of Financial Reporting

Accountability and Audit

The BAC supports the Board in its responsibility to oversee the financial reporting and the effectiveness of the internal controls of the Group.

1. Financial Reporting

The Company aims to present a clear and balanced assessment of the Company's financial position and future prospects that extends to the interim and price-sensitive information and other relevant reports submitted to regulators. The Directors ensure that the financial statements are prepared so as to give a true and fair view of the current financial status of the Company in accordance with the approved accounting standards.

The Company's practice is to announce to Bursa Malaysia its quarterly financial results as early as possible within two (2) months after the end of each quarterly financial period.

The BAC assists the Board in maintaining a sound system of internal control across the Group. In ensuring that the financial statements use appropriate accounting policies, the BAC will meet with the external auditors without the presence of Management, and it will be a session where the external auditors may raise any concern pertaining to the compliance of the financial statements.

2. Internal Control

The Board has overall responsibility for maintaining a sound system of internal control, which encompasses risk management, financial, organisational, operational and compliance controls necessary for the Group to achieve its objectives within an acceptable risk profile. These controls can only provide reasonable but not absolute assurance against material misstatement, errors of judgment, loss or fraud.

Information on the Group's Internal Control is as set out in the Group Statement of Internal Control set out in pages 69 to 74 of this Annual Report.

3. Relationship with the Auditors

The Board has established a formal and transparent relationship with the auditor, Messrs. KPMG appointed by the Company and its subsidiaries within its fold.

Messrs. KPMG is invited to attend the BAC Meeting where the Group's annual financial results are considered, as well as at meetings to review and discuss the Group's audit findings, internal controls and accounting policies, whenever the need arises.

Messrs. KPMG will also be present in each AGM in order to address clarifications pertaining to the audited financial statements sought by the shareholders.

The role of the BAC in relation to the External Auditors can be found in the Report of the Audit Committee as set out in pages 63 to 68 of this Annual Report.

Principle 6 – Recognise and Manage Risks

1. Board Audit Committee (BAC)

The BAC's key functions are to review the audit plan, evaluation of the system of internal controls, audit report and resources of internal audit functions with the Auditor. At the minimum, the BAC meets on a quarterly basis in order to carry out its functions.

All BAC members are financially literate and responsible for recommending the person or persons to act as the external Auditor; and the remuneration and terms of engagement of the external Auditor. The Terms of Reference and summary of activities and attendance record of the BAC are set out on pages 63 to pages 68 of this Annual Report.

2. Board Risk Committee (BRC)

The BRC's role is to impose disciplinary level on the Board and Management to be continuously aware of, and consider the risk of possible impact on the Group. It regularly reviews and recommends the Group's risk management policies and strategies for the Board. Datuk Wan Azhar bin Wan Ahmad is the Chairman of the BRC.

3. Board Procurement Committee (BPC)

The BPC comprises four (4) members, a majority of whom are independent Directors with a function to monitor procurement activities of the Group. The Committees operate under clearly defined terms of reference and are authorised by the Board to deal with and to deliberate on matters delegated to them within their terms of reference. Encik Asri bin Hamidon is the Chairman of BPC.

Report of the Audit Committee

The Audit Committee of Bina Darulaman Berhad is pleased to present the Report of the Audit Committee for the financial year ended 31 December 2015.

1. MEMBERS

The Audit Committee comprises four (4) members of the Board made up of three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, with an Independent Non-Executive Director presiding as the Chairman. Bina Darulaman Berhad (the Company) has complied with Paragraph 15.09 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia), which requires that all the Audit Committee members must be Non-Executive Directors, with a majority of them being Independent Directors. The members of the Audit Committee are as follows:

Name		Directorial Status
1.	Datuk Mohd Nasir bin Ahmad	Chairman / Senior Independent Non-Executive Director
2.	Dato' Abdul Rahman bin Ibrahim	Member / Non-Independent Non-Executive Director
3.	Encik Asri bin Hamidon	Member / Independent Non-Executive Director
4.	Datuk Wan Azhar bin Wan Ahmad	Member / Independent Non-Executive Director

2. CONSTITUTION

The Audit Committee of the Company was established by the Board of Directors in 1996.

3. MEETINGS

During the year ended 31 December 2015, the Committee met four (4) times by way of ordinary meetings on 25 January 2015, 24 May 2015, 24 August 2015 and 22 November 2015. There were also three (3) Special Meetings on 23 February 2015, 9 March 2015 and 12 December 2015.

Name		Number of Meetings	
		Held	Attendance
1.	Datuk Mohd Nasir bin Ahmad	7	7 / 7
2.	Dato' Abdul Rahman bin Ibrahim	7	6 / 7
3.	Encik Asri bin Hamidon	7	7 / 7
4.	Datuk Wan Azhar bin Wan Ahmad	7	7 / 7

4. TERMS OF REFERENCE OF THE AUDIT COMMITTEE

Membership

The Audit Committee shall be appointed by the Board of Directors from amongst the Non-Executive Directors and must be composed of not fewer than three (3) members, with a majority of them being Independent Directors. The members of the Audit Committee must elect a Chairman amongst themselves who is an Independent Director. An alternate director shall not be appointed as a member of the Audit Committee.

At least one member of the Audit Committee:

a. must be a member of the Malaysian Institute of Accountants (MIA); or

b. if he is not a member of MIA, he must have at least 3 years' working experience and :
- he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
- he must be a member of one of the Associations of Accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or

c. fulfils such other requirements as prescribed or approved by Bursa Malaysia.

The Audit Committee has three (3) Independent Non-Executive Directors. The Chairman of the Committee, Datuk Mohd Nasir bin Ahmad, a Senior Independent Non-Executive Director, is a Chartered Accountant and a member of the Malaysian Institute of Accountants (MIA).

In the event of any vacancy in the Audit Committee resulting in non-compliance with Bursa Malaysia Listing Requirements on the composition of Audit Committee, the Board of Directors must fill the vacancy within three (3) months.

The Board of Directors must review the term of office and performance of the Audit Committee and each of its members at least once every three (3) years to determine whether the Audit Committee has carried out its duties in accordance with its terms of reference.

Meetings and Minutes

Meetings shall be held at least four (4) times a year with the attendance of the Group Managing Director (GMD), Heads of Group Finance & Accounts, Group Corporate Services & Legal/Company Secretary and Group Corporate Assurance. Other Board members and Senior Management may attend meetings at the invitation of the Audit Committee. Additional meetings may be held upon request by any Audit Committee member, the Management, Internal or External Auditors. At least twice (2) a year, the Audit Committee shall meet with the external auditors and internal auditors without any Executive Director or Officer of the Group being present.

The minutes shall be circulated to the Audit Committee members and to all other members of the Board. The Chairman of the Audit Committee engages on a continuous basis with Senior Management such as the GMD, Heads of Group Finance & Accounts, Group Corporate Services & Legal/Company Secretary, Group Corporate Assurance and the external auditors in order to keep abreast of matters and issues affecting the Group. Key issues discussed are reported by the Chairman of the Audit Committee to the Board.

Secretary

The Company Secretary shall act as Secretary of the Audit Committee. The Secretary of the Audit Committee shall provide the necessary administrative and secretarial services for the effective functioning of the Committee.

Quorum

The quorum shall consist of a majority of Independent Directors and shall not be less than two (2).

Voting

Each member of the Audit Committee is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes shall be the decision of the Audit Committee. In the event of an equality of votes, the Chairman of the Audit Committee shall be entitled to a second or casting vote.

Authority

In view of its duties and functions, the Audit Committee has the following authority, as empowered by the Board to:

(i) investigate any matters within the scope of the Committee's duties and its terms of reference;

(ii) obtain external independent legal or other professional advice as necessary;

(iii) secure full, free and unrestricted access to any information, records, properties and personnel of the Company and any other companies within the Group;

(iv) communicate directly with the External Auditors, Internal Auditors and all employees of the Group;

(v) be able to convene meetings with the External Auditors, the Internal Auditors or both, excluding the attendance of other Board of Directors, Senior Management and employees, where necessary; and

(vi) report to Bursa Malaysia matters duly reported by it to the Board which have not been satisfactorily resolved resulting in a breach of any regulatory requirements.

All costs involved in the exercise of the Audit Committee's authority shall be absorbed by the Company.

Duties

The following are the main duties and responsibilities of the Audit Committee collectively:

(i) to consider the nomination and appointment of the external auditors, the audit fee and resignation, replacement or termination;

(ii) to discuss with the external auditor before the commencement of audit, their nature and scope of audit and to ensure co-ordination where more than one audit firm is involved;

(iii) to review the quarterly financial results and year-end financial statements prior to deliberation and approval by the Board, focusing particularly on:
- any changes in accounting policies and practices;
- significant adjustments arising from the audit;
- the going concern assumption;
- compliance with accounting standards, regulatory and other legal requirements; and
- other judgmental areas.

(iv) to discuss problems and reservations arising from the interim and final audits and any matters the external and internal auditors may wish to discuss (in the absence of Management where necessary);

(v) to discuss the impact of any proposed changes in accounting principles on future financial statements;

(vi) to review the assistance given by the employees of the Company and the Group to the External Auditors;

(vii) to review with the External Auditors, their evaluation of system of internal controls, their management letter and management responses;

(viii) to do the following, in relation to the internal audit function:
- 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 duties;
- to consider the major findings or internal investigations and management's responses;
- review the internal audit plan, programme and results of the internal audit process and ensure appropriate actions are taken on the recommendations of the internal audit function;
- assessment of the performance of the staff of the internal audit function;
- approve any appointment, replacement or termination of senior staff members of the internal audit function; and
- take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.

(ix) to monitor any related party transactions and situation where a conflict of interest may arise within the company or Group, including any transaction procedure or course of conduct that raises questions of management integrity and ensure that the Directors report such transactions annually to the shareholders in the Annual Report;

(x) to review all prospective financial information provided to the regulators and/or the public;

(xi) to report promptly to Bursa Malaysia on any matter reported by it to the Board of Directors, which has not been satisfactorily resolved resulting in a breach of Bursa Malaysia Listing Requirements; and

(xii) to consider other topics defined by the Board of Directors from time to time.

5. SUMMARY OF THE AUDIT COMMITTEE'S ACTIVITIES

During the financial year, the Audit Committee met seven (7) times. Activities carried out by the Audit Committee included the deliberation and review of the followings:

External Audit

(i) the audit plan of the External Auditors in terms of their scope of audit prior to the commencement of the interim and annual audit;

(ii) the audited year-end financial results of the Group prior to submission to the Board for consideration and approval;

(iii) the audit reports of the External Auditors in relation to audit and accounting issues arising from the audit;

(iv) matters arising from the audit of the Group in a meeting with the External Auditors without the presence of the Management;

(v) the performance of the External Auditors and the recommendations to the Board on their re-appointment and remuneration;

(vi) review the findings of the External Auditors and followed up on the recommendations.

Internal Audit

(i) the risk-based annual audit plan proposed by the Internal Auditors to ensure adequacy of the scope and coverage;

(ii) the effectiveness of the audit process, resource requirements for the year and assessed the performance of the internal auditors;

(iii) the audit reports presented by the Internal Auditors on major findings and recommendations with respect to system and control weaknesses. The Committee then proposed that control weaknesses are to be rectified and recommendation for improvements be implemented;

(iv) the results of follow-up audit conducted by Internal Auditors on the managements' implementation of audit recommendations;

(v) verify and followed up on the management action plans on audit findings raised by the External Auditors.

Other

(i) the Audit Committee Report and its recommendation to the Board for inclusion in the Annual Report;

(ii) the Statement on Internal Control and Statement of Corporate Governance and its recommendation to the Board for inclusion in the Annual Report;

(iii) related party transactions as required under Bursa Malaysia Listing Requirements to ascertain that transactions are conducted at arm's length prior to submission for the Board's consideration and where appropriate, shareholders' approval;

(iv) the unaudited quarterly financial results and the announcements thereof and made recommendations to the Board for consideration and approval.

6. INTERNAL AUDIT FUNCTION

The Group's internal audit function is carried out on a co-sourcing basis by the Group Corporate Assurance and JSA Business Advisory Services Sdn Bhd, which reports directly to the Audit Committee. Its principal role is to undertake independent, regular and systematic reviews of internal controls, so as to provide the Audit Committee with independent and objective feedback, performed with impartiality, proficiency and due professional care and report that the internal control systems continue to operate satisfactorily and effectively, within the Group. The Group Corporate Assurance adopts a risk-based auditing approach, taking into account global best practices and industry standard, in preparing its audit plan and strategy. The approved annual audit plan covers all the business units, departments and projects of the Group on a rotation basis.

Throughout the year, seven (7) audit assignments, one (1) special audit assignments and quarterly follow-up audits were carried out and completed by the Group Corporate Assurance Department on the various business units and functions. Areas of audit were focused on the human resource management, administration management, business development process, financial operation and reporting and inventory management. For the 4th quarter of the year under review, GCA had undertaken and continued the internal audit tasks from JSA Business Advisory Sdn Bhd upon the expiry of its internal audit services in September 2015.

The resulting reports of the audits undertaken were tabled to the Audit Committee for deliberation and forwarded to the parties concerned for their attention and necessary action. The respective Management of the business units and projects are responsible in ensuring that corrective actions are taken on reported weaknesses within the required time frame. Group Corporate Assurance also provide status updates to the Audit Committee on the progress of preventive and corrective actions to be carried out by management to facilitate the monitoring of the improvement made to the systems and processes.

The total cost incurred for the Internal Audit Function in respect of the financial year was RM452,504.50.

Statement of Risk Management and Internal Control

Statement on Internal Control

This statement is made in accordance with the Malaysian Code on Corporate Governance 2012 ("The Code") and Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Set out below is the Board's Statement on Internal Control which has been prepared in accordance with the "Statement on Internal Control: Guidance for Directors of Public Listed Companies" issued by the Institute of Internal Auditors Malaysia and adopted by Bursa Malaysia.

Board Responsibility

The Board acknowledges its responsibility for maintaining a sound system of internal control and the need to review its adequacy and integrity on a regular basis. The system of internal control is meant to effectively manage business risk towards the achievement of objectives so as to enhance the value of shareholders' investments and to safeguard the Group's assets.

The Board maintains overall responsibility for the Group's system of internal controls and has reviewed the effectiveness of the controls established. The Board has delegated the implementation of the system of internal control within an established framework throughout the Group to the Management. The system of internal control includes not only financial controls but operational and compliance controls as well as risk management.

The Board through its Risk Management Committee is responsible for identifying, evaluating and managing major business risks faced by the Group. The Committee will continuously evaluate suggested mitigation measures and quarterly review planned actions and implementation strategies to ensure that key risks are mitigated and well managed.

The Board is satisfied that throughout the year the Company's Risk Management and internal control system operated adequately and effectively in all material aspects based on the Risk Management Model adopted by the Company.

In line with the Code, the system of internal controls is designed to safeguard the assets of the Group and shareholders' investment, by ensuring the maintenance of proper accounting records and providing reliable financial information for use within the business and for publications. However, these controls provide only reasonable and not absolute assurance against material error, misstatement, loss or breach. In addition, the concept of reasonable assurance also recognises that the overall cost of control procedures shall not exceed the expected benefits.

Key Internal Control Features

The key features of the Group's internal control comprise the following components which have been in place throughout the financial year:

CONTROL ENVIRONMENT

ACCOUNTABILITY AND REPORTING WITHIN THE ORGANISATION:

The terms of reference including functions, authorities and responsibilities of the Board Committees and Management Committees have been established in the Group, to assist the Board in discharging its duties. The Board Committees comprise:

- Audit Committee
- Risk Management Committee ("RMC")
- Nomination & Remuneration Committee
- Procurement Committee

ORGANISATION STRUCTURE & AUTHORITY LIMITS

The internal control of the Group is supported by a formal organisational structure with lines of responsibility and accountability delegated to the Group's Senior Management. The Group, via its Delegated Authority Limit ("DAL"), assigns authority to appropriate levels of management to exercise control over the Groups' commitment on both strategic and operational business objectives.

The DAL is approved by the Board and is updated to reflect changing business conditions. The DAL provides a framework that defines and specifies the authority levels for personnel to carry out their assigned responsibilities and it also covers the basic decision-making policy throughout the BDB Group of Companies.

STANDARDISED AND DOCUMENTED POLICIES AND PROCEDURES

Relevant policies and procedures are recommended by Management and approved by the Board to ensure the Group's values and internal control mechanism is embedded in business operations. These policies and procedures are made available to guide Management and staff in their day-to-day operations. Reviews are performed to determine its relevance and effectiveness. Updates and changes will be made to reflect operational requirements.

STRATEGIC BUSINESS PLANNING

BDB Group performs annual business planning and budgeting for consideration of the Group Managing Director before being tabled to the Board for approval. The Board has reviewed and approved the annual budgets and five (5) year Business Plans within which the business objectives, strategies and targets are articulated to facilitate management in focusing on areas of concern. Key business risks are identified and mitigated during the business planning process and reviewed during the year.

STAFF DEVELOPMENT AND TRAINING

Internal and external training are developed by Group Human Resource and provided to all employees to facilitate daily operations. Corporate values, which emphasise teamwork and ethical behavior, have been communicated to the Group's staff.

WHISTLEBLOWING

The whistleblowing policy provides an avenue for employees to communicate any instances of breach or suspected breach of any law or regulation, illegal and / or immoral conduct in a safe and confidential manner. It also provides proper investigation to be initiated on all allegations or reports about the Group.

Control Activities

Control activities are part of the Group's system of internal control. Control activities are performed at all levels of the entity and at various stages within the business processes. They include a diverse range of activities such as the process of approvals, authorisations, verifications and reconciliations, reviews of operating performance, security of assets and segregation of duties. Among the significant control activities are:

- The preparation of quarterly and full-year financial results, as announced or otherwise published to shareholders. Analysis of actual financial performance versus business plans is carried out on quarterly basis.
- Group Managing Director and Senior Management staff make regular site visits and communicate with employees of different levels to have first-hand knowledge of significant operational issues and risks.
- Quarterly reporting of legal, accounting and other new developments to the Board.
- An ISO 9001 Quality Management System, which is subject to regular review and improvement, continuously manages and controls the quality requirement of the Company's products and services.

Review and Monitoring Process

The Board has initiated an ongoing process to ensure the achievement of the Group business objectives where budgets, key business indicators and performance results on operations are in place to monitor performance. The system allows the Management and Group Managing Director to review business unit's performances against budgets and other performance indicators on a monthly basis. Key variances are followed up by Management and reported on quarterly basis to the Board.

The Board has taken the necessary measures and reviewed the effectiveness of the system of internal control during the financial year through the review and monitoring process set out above.

Internal Audit Function

The Internal Audit function includes undertaking reviews to evaluate the adequacy and effectiveness of financial and operating controls and highlight significant risks and non-compliance impacting the Group. Where applicable they provide recommendations to improve the effectiveness of risk management, control and governance process. Audits are carried out on Subsidiaries, Departments and Units on a rotation basis using the risk-based audit approach.

The Audit Committee meets on a quarterly basis plus as and when required to review the internal control issues identified in Internal Audit Reports, in order to ensure the effectiveness and adequacy of the Group's internal control system. Management's response will always be sought on comments and suggestions by the Internal Audit as well as on the status of follow-up action taken. The Audit Committee has oversight on the internal audit's independence, the scope of work and resources. It also reviews the Internal Audit function, particularly the scope of the annual audit plan and frequency of the internal audit activities. The details of the activities undertaken by the Audit Committee are highlighted in the Audit Committee Report.

State of Internal Control During the Year Under Review

The Board is of the view that the existing Group's system of internal controls in place for the year under review and up to the date of issuance of financial statements is generally sound and adequate to safeguard the shareholders' investment, the interest of customers, regulators, employees and the Group's assets. None of the control weaknesses identified has resulted in any material loss, contingencies or uncertainties that would require disclosure in the Annual Report.

Statement on Risk Management / Enterprise Risk Management Framework

The Group has established an Enterprise Risk Management (ERM) framework to proactively identify, evaluate and manage key risks to an optimal level in line with the Group's commitment to deliver sustainable value. This framework aims to provide an integrated and organised approach entity-wide.

During the financial year ended 31 December 2015, the Group had executed the ERM initiatives based on the approved ERM Framework which include the establishments of key mitigation strategies for the key risk areas identified, and the tracking and monitoring of its implementation Group wide.

Risk Policy

BDB Group is committed in meeting its vision, mission and corporate objectives. It is critical for BDB Group to have the ability of managing risk to an acceptable level. In 2015, Risk Management has conducted five (5) RMC Meetings where risks were identified, assessed and ranked accordingly after considering the mitigating actions.

The Board has a responsibility to understand risks, and provide guidance when dealing with risks to ensure all risks are managed in an organised and consistent manner. The policies of the Board for ERM are as follows:

- To integrate risk management into the work culture, business activities and decision-making processes.
- To anticipate and respond to the changing operational, social, environmental and regulatory requirements proactively.
- To manage risks pragmatically, to an acceptable level given the particular circumstances of each situation.

- To require that all papers submitted to the Board of Directors by Management relating to strategy, key project approval, significant action or investment must include a comprehensive risk assessment report.
- To implement a robust and sustainable ERM framework that is aligned with BDB Group's vision, mission, corporate objectives, and in accordance with best practices.

The policies will be attained through:-

- Quarterly reporting to the Board on ERM activities and keep the Board updated of all ERM aspects including significant risks and risk trends;
- Provision of adequate and suitable resources, including tools and manpower to ensure ERM framework and system are operating effectively;
- Provision of adequate education and communication to ensure staff understand the requirement, benefits, their roles and responsibilities associated to ERM; and
- Maintain documented risk information (risk registers and action plans) for continuous ERM activities.

The Group Risk Management Department ("GRMD") is responsible for developing, coordinating and facilitating the Risk Management processes within the Group. A database of risks and control information is captured in the format of risk registers. Key risks of key business units are identified, assessed and categorised to highlight the source of risks, their impact and the likelihood of occurrence. They are monitored by the respective Senior Management of the business units.

Roles and Responsibilities of the GRMD can be summarised as follows:

- To continuously communicate, evaluate and improve the ERM Policy and Mechanism;
- Facilitate the risk assessment and risk action plan processes;
- Provide independent input on risk assessment (risk type and rating) and action plans;
- Prepare and report to RMC in a timely manner; and
- Lead the ERM educational programmes and continuous sharing of risk and market trends.

Assurance Received from Group Managing Director and Chief Financial Officer

In accordance with the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers, the Board has received assurance from the Group Managing Director and Chief Financial Officer that to the best of their knowledge the risk management and internal control of the Group are operating effectively and adequately, in all material aspects, based on the risk management and internal control framework adopted by the Group.

Review of Statements by the External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Recommended Practice Guide ("RPG") 5 (Revised 2015). Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2015 and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

(a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers, or

(b) is factually inaccurate.

RPG 5 (Revised 2015) does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Conclusion

Risk Management in BDB Group has been accepted not merely as a compliance tool but to the extent of becoming a business culture. The Risk Management framework and findings act as an additional decision-making tool to drive towards an excellent business strategy planning and execution. In this regard, an effective Risk Management lies on its ability to implement the framework and create values throughout BDB Group in order to achieve its established vision, mission, and objectives that lead towards enhancing shareholders' value.

This statement is made in accordance with the resolution of the Board of Directors dated 21 February 2016.

Financial **Statements**

Directors' report for the year ended 31 December 2015

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2015.

Principal activities

The principal activities of the Company are investment holding, provision of management services, oil palm plantation and property development whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

Results

	Group RM	Company RM
Profit for the year attributable to :		
Owners of the Company	24,215,682	319,937
Non-controlling interests	(16,002)	-
	24,199,680	319,937

Reserves and provisions

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

Dividends

Since the end of the previous financial year, the Company paid a final single tier dividend of 3.50 sen per ordinary share, totalling RM10,634,924 in respect of the financial year ended 31 December 2014 on 20 May 2015.

At the forthcoming Annual General Meeting, a first and a final single tier dividend in respect of the financial year ended 31 December 2015 of 4.00 sen on 303,854,977 ordinary shares, totalling RM12,154,199 will be proposed for shareholders' approval.

Directors of the Company

Directors who served since the date of the last report are:

Dato' Abdul Rahman bin Ibrahim
Datuk Mohd Nasir bin Ahmad
Dato' Izham bin Yusoff
Asri bin Hamidin @ Hamidon
Datuk Wan Azhar bin Wan Ahmad
Dato' Abd Rahim bin Man (Appointed on 7.6.2015)
Dato' Paduka Rasli bin Basir (Appointed on 1.1.2016)

Directors' interests in shares

None of the Directors holding office at 31 December 2015 had any interest in the shares and options over shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related company with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

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

Issue of shares and debentures

During the financial year, the Company increased its issued and paid-up share capital from 72,815,856 to 303,854,977 ordinary shares of RM1 each via the following:

i) the issuance of 72,815,856 rights shares together with 72,815,856 bonus shares of RM1 each at RM1.30 for a total cash consideration of RM94,660,613; and

ii) the issuance of 85,407,409 ordinary shares of RM1 each at RM1.35 for a total cash consideration of RM115,300,000.

There were no other changes in authorised, issued and paid-up capital of the Company during the financial year.

There were no debentures issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that :

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

Other statutory information (continued)

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist :

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the year ended 31 December 2015 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

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

Dato' Paduka Rasli bin Basir

Dato' Izham bin Yusoff

Alor Setar,

Date : 1 March 2016

Consolidated statement of financial position as at 31 December 2015

	Note	2015 RM	2014 RM
Assets			
Property, plant and equipment	3	68,895,214	64,087,340
Investment property	4	33,971,865	-
Interest in unincorporated joint venture	6	-	-
Other investments	7	910,924	2,546,837
Land held for property development	8	292,098,309	277,011,663
Deferred tax assets	9	1,191,337	304,870
Trade and other receivables	10	267,421,943	286,521,531
Total non-current assets		664,489,592	630,472,241
Property development costs	11	22,260,889	40,364,491
Inventories	12	34,953,210	21,567,249
Trade and other receivables	10	157,313,417	173,989,403
Current tax assets		119,467	972,289
Deposits with licensed banks	13	25,862,702	25,994,352
Cash and bank balances	14	76,352,622	66,305,945
Total current assets		316,862,307	329,193,729
Total assets		981,351,899	959,665,970

Consolidated statement of financial position as at 31 December 2015 (continued)

	Note	2015 RM	2014 RM
Equity			
Share capital	15	303,854,977	72,815,856
Reserves	16	201,248,555	211,474,175
Total equity attributable to owners of the Company		505,103,532	284,290,031
Non-controlling interests		8,044,560	8,060,562
Total equity		513,148,092	292,350,593
Liabilities			
Deferred tax liabilities	9	995,335	679,008
Loans and borrowings	17	270,262,231	269,505,909
Total non-current liability		271,257,566	270,184,917
Trade and other payables	18	151,522,875	353,016,370
Current tax payables		4,371,542	2,180,466
Loans and borrowings	17	41,051,824	41,933,624
Total current liabilities		196,946,241	397,130,460
Total liabilities		468,203,807	667,315,377
Total equity and liabilities		981,351,899	959,665,970

The notes on pages 92 to 167 are an integral part of these financial statements.

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2015

	Note	2015 RM	2014 RM
Continuing operations			
Revenue	19	243,296,388	328,878,785
Cost of sales	20	(172,355,466)	(266,543,748)
Gross profit		70,940,922	62,335,037
Distribution expenses		(11,591,818)	(6,690,550)
Administrative expenses		(36,463,125)	(22,655,411)
Other operating income		11,951,501	4,862,325
Other operating expenses		(1,284,312)	(10,077,430)
Results from operating activities		33,553,168	27,773,971
Unwinding of discount on non-current receivables		22,233,467	23,861,226
Finance cost	21	(15,019,915)	(17,770,217)
Share of loss of jointly control entity		-	(2,503)
Profit before tax	22	40,766,720	33,862,477
Tax expense	25	(16,567,040)	(9,702,198)
Profit and total comprehensive income for the year		24,199,680	24,160,279
Profit and total comprehensive income for the year attributable to:			
Owners of the Company		24,215,682	24,167,717
Non-controlling interests		(16,002)	(7,438)
Profit and total comprehensive income for the year		24,199,680	24,160,279
Basic earnings per ordinary share (sen)	26	8.35	16.60

The notes on pages 92 to 167 are an integral part of these financial statements.

Consolidated statement of changes in equity for the year ended 31 December 2015

	Note	Share capital RM	Share premium RM
At 1 January 2014		72,815,856	17,062,137
Profit and total comprehensive income for the year		-	-
Total distribution to owners - Dividend to owners of the Company	27	-	-
Dissolution of a foreign subsidiary		-	-
At 31 December 2014		72,815,856	17,062,137
At 1 January 2015		72,815,856	17,062,137
Profit and total comprehensive income for the year		-	-
Issue of ordinary shares pursuant to: - Rights issue		72,815,856	21,844,757
- Bonus issue		72,815,856	(38,906,894)
- Other considerations		85,407,409	29,892,591
Expense incurred for issue of shares		-	(2,727,870)
Total distribution to owners - Dividend to owners of the Company	27	-	-
		231,039,121	10,102,584
At 31 December 2015		303,854,977	27,164,721

Attributable to owners of the Company				
Non-distributable	Distributable			
Foreign currency translation reserves RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
10,278	175,341,431	265,229,702	8,068,000	273,297,702
-	24,167,717	24,167,717	(7,438)	24,160,279
-	(5,097,110)	(5,097,110)	-	(5,097,110)
(10,278)	-	(10,278)	-	(10,278)
-	194,412,038	284,290,031	8,060,562	292,350,593
-	194,412,038	284,290,031	8,060,562	292,350,593
-	24,215,682	24,215,682	(16,002)	24,199,680
-	-	94,660,613	-	94,660,613
-	(33,908,962)	-	-	-
-	-	115,300,000	-	115,300,000
-	-	(2,727,870)	-	(2,727,870)
-	(10,634,924)	(10,634,924)	-	(10,634,924)
-	(44,543,886)	196,597,819	-	196,597,819
-	174,083,834	505,103,532	8,044,560	513,148,092

The notes on pages 92 to 167 are an integral part of these financial statements.

Consolidated statement of cash flows for the year ended 31 December 2015

	Note	2015 RM	2014 RM
Cash flows from operating activities			
Profit before tax		40,766,720	33,862,477
Adjustments for :			
Depreciation of property, plant and equipment	3	5,553,572	4,949,241
Property, plant and equipment written off		95,937	31,921
Gain on disposal of property, plant and equipment		(170,953)	(199,048)
Share of loss of unincorporated joint venture	6	-	2,503
Government grant		-	(185,950)
Dividend income from other investments		(5,932)	(6,392)
Interest income		(2,104,373)	(1,912,288)
Unwinding of discount on non-current receivables		(22,233,467)	(23,861,226)
Interest expense		15,019,915	17,770,217
Operating profit before working capital changes		36,921,419	30,451,455
Decrease/(Increase) in land held for development and property development costs		3,016,956	(142,716,289)
Decrease in trade and other receivables		58,186,065	6,104,667
Increase in inventories		(13,385,961)	(5,114,946)
(Decrease)/Increase in trade and other payables	A	(34,610,804)	167,668,174
Cash generated from operations		50,127,675	56,393,061

Consolidated Statement of Cash Flows for the Year Ended 31 December 2015 (continued)

	Note	2015 RM	2014 RM
Cash generated from operations		50,127,675	56,393,061
Interest paid		(15,019,915)	(17,770,217)
Income taxes paid		(14,093,282)	(10,524,622)
Net cash from operating activities		21,014,478	28,098,222
Cash flows from investing activities			
Purchase of investment property	4	(33,971,865)	-
Distribution of joint venture's interest	6	-	447,299
Purchase of property, plant and equipment	3.1	(6,459,400)	(6,142,839)
Proceeds from disposal of property, plant and equipment		174,181	314,838
Proceeds from disposal of other investments		1,635,913	2,834,974
Dividend received		5,932	6,392
Interest income received		2,104,373	1,912,288
Net cash used in investing activities		(36,510,866)	(627,048)
Cash flows from financing activities			
Dividends paid to shareholders of the Company	27	(10,634,924)	(5,097,110)
Drawdown of term loan		25,600,000	5,855,800
Repayment of term loan		(26,922,535)	(41,797,943)
Government grant received		-	390,000
Movement of other borrowings		(983,485)	5,000,000
Repayment of finance lease creditors		(1,999,432)	(1,110,267)
(Placement)/ Withdrawal of pledged deposits		(36,764)	11,986,338
Proceeds from issuance of shares	A	43,077,922	-

Consolidated statement of cash flows for the year ended 31 December 2015 (continued)

	Note	2015 RM	2014 RM
Expense incurred for issuance of shares		(2,727,870)	-
Net cash from/(used in) financing activities		25,372,912	(24,773,182)
Net increase in cash and cash equivalents		9,876,524	2,697,992
Cash and cash equivalents at beginning of the year		86,586,325	83,888,333
Cash and cash equivalents at end of the year	B	96,462,849	86,586,325

NOTE

A. Proceed from issuance of shares

During the last financial year the Company entered into the Sale and Purchase Agreement ("SPA") with its ultimate holding company, Perbadanan Kemajuan Negeri Kedah ("PKNK") in relation to the acquisition of land owned by for a total purchase consideration of approximately RM202,000,000 through the issuance of rights shares together with bonus shares and consideration shares ("corporate exercise"). The corporate exercise had been completed during the year. Consequently, the proceeds from the corporate exercise amounting to RM209,960,613 has been used to part finance the acquisition of land. The details are as follows :

Proceeds from issuance of shares			
- Rights issue		94,660,613	-
- Other considerations		115,300,000	-
		209,960,613	-
Less: part finance amount due to PKNK (payables)		(166,882,691)	-
		43,077,922	-
B. Cash and cash equivalents			
Cash and bank balances		76,352,622	66,305,945
Deposits placed with licensed banks		25,862,702	25,994,352
Less : Deposits pledged		(5,750,736)	(5,713,972)
Bank overdraft		(1,739)	-
		96,462,849	86,586,325

The notes on pages 92 to 167 are an integral part of these financial statements.

Statement of financial position as at 31 December 2015

	Note	2015 RM	2014 RM
Assets			
Property, plant and equipment	3	17,147,074	16,714,424
Investment property	4	7,931,433	8,103,610
Investment in subsidiaries	5	58,157,529	56,157,529
Other investments	7	737,887	2,373,800
Land held for property development	8	207,601,140	202,448,722
Deferred tax assets	9	-	133,807
Total non-current assets		291,575,063	285,931,892
Inventories	12	7,123,000	7,123,000
Trade and other receivables	10	46,861,927	63,465,925
Current tax assets		115,600	404,983
Cash and bank balances	14	12,739,589	3,093,807
Total current assets		66,840,116	74,087,715
Total assets		358,415,179	360,019,607
Equity			
Share capital	15	303,854,977	72,815,856
Reserves	16	35,013,001	69,134,366
Total equity		338,867,978	141,950,222
Trade and other payables	18	19,547,201	218,069,385
Total current liabilities		19,547,201	218,069,385
Total liabilities		19,547,201	218,069,385
Total equity and liabilities		358,415,179	360,019,607

The notes on pages 92 to 167 are an integral part of these financial statements.

Statement of profit or loss and other comprehensive income for the year ended 31 December 2015

	Note	2015 RM	2014 RM
Continuing operations			
Revenue	19	21,565,943	43,671,522
Cost of sales	20	(1,073,716)	(14,584,821)
Gross profit		20,492,227	29,086,701
Distribution expenses		(5,624,584)	(2,469,232)
Administrative expenses		(15,793,944)	(9,140,140)
Other operating income		1,940,814	2,760,025
Other operating expenses		(383,482)	(666,985)
Results from operating activities		631,031	19,570,369
Finance costs	21	-	(488,776)
Profit before tax	22	631,031	19,081,593
Tax expense	25	(311,094)	(609,817)
Profit and total comprehensive income for the year		319,937	18,471,776

The notes on pages 92 to 167 are an integral part of these financial statements.

Statement of changes in equity for the year ended 31 December 2015

	Note	Share capital RM	Share premium RM	Retained earnings RM	Total equity RM
			Non-distributable	Distributable	
At 1 January 2014		72,815,856	17,062,137	38,697,563	128,575,556
Profit and total comprehensive income for the year		-	-	18,471,776	18,471,776
Total distribution to owners					
- Dividend to owners of the Company	27	-	-	(5,097,110)	(5,097,110)
At 31 December 2014 / 1 January 2015		72,815,856	17,062,137	52,072,229	141,950,222
Profit and total comprehensive income for the year		-	-	319,937	319,937
Issue of ordinary shares pursuant to :					
- Rights issue		72,815,856	21,844,757	-	94,660,613
- Bonus issue		72,815,856	(38,906,894)	(33,908,962)	-
- Other considerations		85,407,409	29,892,591	-	115,300,000
Expense incurred for issue of shares		-	(2,727,870)	-	(2,727,870)
Total distribution to owners					
- Dividend to owners of the Company	27	-	-	(10,634,924)	(10,634,924)
Total transactions with owners of the Company		231,039,121	10,102,584	(44,543,886)	196,597,819
At 31 December 2015		303,854,977	27,164,721	7,848,280	338,867,978

The notes on pages 92 to 167 are an integral part of these financial statements.

Statement of cash flows for the year ended 31 December 2015

	Note	2015 RM	2014 RM
Cash flows from operating activities			
Profit before tax		631,031	19,081,593
Adjustments for :			
Depreciation of :			
- property, plant and equipment	3	1,210,023	867,293
- investment property	4	172,177	172,177
Gain on disposal of plant and equipment		(22,537)	-
Impairment loss on investments in a subsidiary		-	100,000
Dividend income		(17,400,001)	(20,100,000)
Interest income		(686,648)	(1,005,797)
Interest expense		-	488,776
Operating loss before working capital changes		(16,095,955)	(395,958)
Increase in land held for development		(5,152,418)	(188,333,977)
Decrease/(Increase) in trade and other receivables		16,603,998	(14,980,081)
Increase in inventories		-	(7,123,000)
(Decrease)/Increase in trade and other payables	A	(31,639,493)	202,647,849
Cash used in operations		(36,283,868)	(8,185,167)
Interest paid		-	(488,776)
Taxes refund/(paid)		112,096	(136,000)
Dividend received		17,400,001	20,100,000
Net cash (used in) / from operating activities		(18,771,771)	11,290,057
Cash flows from investing activities			
Purchase of property, plant and equipment	3.1	(1,642,676)	(2,405,881)
Proceeds from disposal of plant and equipment		22,540	-
Proceeds from disposal of other investments		1,635,913	2,803,368
Interest income received		686,648	1,005,797
Investment in a subsidiary		(2,000,000)	-
Net cash (used in) / from investing activities		(1,297,575)	1,403,284

Statement of cash flows for the year ended 31 December 2015 (continued)

	Note	2015 RM	2014 RM
Cash flows from financing activities			
Dividends paid to shareholders of the Company	27	(10,634,924)	(5,097,110)
Repayment of borrowings	A	-	(15,035,912)
Proceeds from issuance of shares		43,077,922	-
Expense incurred for issuance of shares		(2,727,870)	-
Net cash from/(used in) financing activities		29,715,128	(20,133,022)
Net increase/(decrease) in cash and bank balances		9,645,782	(7,439,681)
Cash and bank balances at beginning of the year		3,093,807	10,533,488
Cash and bank balances at end of the year		12,739,589	3,093,807

NOTE

A. Proceed from issuance of shares

During the last financial year the Company entered into the Sale and Purchase Agreement ("SPA") with its ultimate holding company, Perbadanan Kemajuan Negeri Kedah ("PKNK") in relation to the acquisition of land owned by for a total purchase consideration of approximately RM202,000,000 through the issuance of rights shares together with bonus shares and consideration shares ("corporate exercise"). The corporate exercise had been completed during the year. Consequently, the proceeds from the corporate exercise amounting to RM209,960,613 has been used to part finance the acquisition of land. The details are as follows:

Proceeds from issuance of shares			
- Rights issue		94,660,613	
- Other considerations		115,300,000	
		209,960,613	
Less: part finance amount due to PKNK			-
(payables)		(166,882,691)	-
		43,077,922	-

The notes on pages 92 to 167 are an integral part of these financial statements.

Notes to the financial statements

Bina Darulaman Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows :

9th Floor, Menara Bina Darulaman Berhad
No. 88, Lebuhraya Darulaman
05100 Alor Setar
Kedah Darul Aman

The consolidated financial statements of the Company as at and for the year ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in joint venture. The financial statements of the Company as at and for the year ended 31 December 2015 do not include other entities.

The principal activities of the Company are investment holding, provision of management services, oil palm plantation and property development whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements.

The ultimate holding company is Perbadanan Kemajuan Negeri Kedah, a statutory body formed in Malaysia.

The financial statements were approved by the Board of Directors on 1 March 2016.

1. Basis of preparation

(a) Statement of compliance

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

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and by the Company:

FRSs, *Interpretations and amendments effective for annual periods beginning on or after 1 January 2016*

- FRS 14, *Regulatory Deferral Account*
- Amendments to FRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to FRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to FRS 10, *Consolidated Financial Statements*, FRS 12, *Disclosure of Interests in Other Entities* and FRS 128, Investments in *Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to FRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to FRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to FRS 116, *Property, Plant and Equipment and FRS 138, Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to FRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

- Amendments to FRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to FRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- FRS 9, *Financial Instruments (2014)*

FRSs, Interpretations and amendments effective for a date yet to be confirmed

- Amendments to FRS 10, *Consolidated Financial Statements* and FRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations in the respective financial years when the abovementioned standards, amendments and interpretations become effective.

The Group's and the Company's financial statements for annual period beginning on 1 January 2018 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the MASB and International Financial Reporting Standards ("IFRSs").

The initial application of the accounting standards, amendments and interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company.

The Group and the Company fall within the scope of IC Interpretation 15, Agreements for the Construction of Real Estate and MFRS 141, Agriculture. Therefore, the Group and the Company is currently exempted from adopting the Malaysian Financial Reporting Standards ("MFRS") and is referred to as a "Transitioning Entity".

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2 to the financial statements.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes :

- Note 9 Deferred tax assets
- Note 10.1 Net present value of amount due from a related party
- Note 11.2 Recognition of property development cost

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:
- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Business combinations (continued)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any resulting gain/loss is recognised directly in equity.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(v) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns.

Joint arrangements are classified and accounted for as follows :

- A joint arrangement is classified as "joint operation" when the Group or the Company has rights to the assets and obligations for the liabilities relating to an arrangement. The Group and the Company account for each of its share of the assets, liabilities and transactions, including its share of those held or incurred jointly with the other investors, in relation to the joint operation.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(v) Joint arrangements (continued)

- A joint arrangement is classified as "joint venture" when the Group or the Company has rights only to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method. Investments in joint venture are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(vi) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(vii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other expenses" respectively in profit or loss.

2. Significant accounting policies (continued)

(b) Property, plant and equipment (continued)

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated. Construction work-in-progress are also not depreciated as these assets are not available for use. The cost of the golf course, which consists of freehold land and the related development expenditure, is not depreciated. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Depreciation of other property, plant and equipment is provided for on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Leasehold land	1.25%
Office building	2%
Golf course, club house, chalets and other buildings	2%
Estate development expenditure	10%
Plant and machinery and site equipment	10% - 20%
Furniture and fittings, electrical installations and office equipment	20% - 25%
Renovation	20%
Motor vehicles	20%

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period, and adjusted as appropriate.

(c) Investment properties

(i) Investment property carried at cost

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. These include freehold land and leasehold land which in substance is a finance lease held for a currently undetermined future use. Investment properties initially and subsequently measured at cost are accounted for similarly to property, plant and equipment.

2. Significant accounting policies (continued)

(c) Investment properties (continued)

(ii) Reclassification to/from investment property

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of reclassification becomes its cost for subsequent accounting.

(d) Land held for property development

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

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

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

(e) Property development costs

Property development costs comprise costs associated with the acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including interest expense incurred during the period of active development.

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

(f) Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

2. Significant accounting policies (continued)

(f) Construction contracts (continued)

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

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

(g) Financial instruments

(i) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

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

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

2. Significant accounting policies (continued)

(g) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

(b) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

All financial assets are subject to review for impairment (see Note 2(i)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of equity instruments that do not have a quoted price in an active market for identical instruments whose fair values otherwise cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(iii) 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 in accordance with the original or modified terms of a debt instrument.

Fair value arising from financial guarantee contracts are classified as deferred income and is amortised to profit or loss using a straight-line method over the contractual period or, when there is no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract becomes probable, an estimate of the obligation is made. If the carrying value of the financial guarantee contract is lower than the obligation, the carrying value is adjusted to the obligation amount and accounted for as a provision.

2. Significant accounting policies (continued)

(g) Financial instruments (continued)

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(h) Inventories

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

The cost of building materials and consumables is determined using the weighted average method and comprises the cost of purchase of the inventories.

The cost of completed properties is determined on the specific identification basis and comprises cost associated with the acquisition of land, direct costs and appropriate proportions of common costs.

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.

2. Significant accounting policies (continued)

(i) Impairment

(i) Financial assets

All financial assets (except for financial assets categories as fair value through profit or loss, investment in subsidiaries and investment in joint venture) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

(ii) Other assets

The carrying amounts of other assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows 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 or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

2. Significant accounting policies (continued)

(i) Impairment (continued)

(ii) Other assets (continued)

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amount of the other assets in the cash-generating unit (group of cash-generating units) on a *pro rata* basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(j) Leases assets

(i) Finance lease

Leases in terms of which the Group and the Company assume substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment, or an investment property if held to earn rental income or for capital appreciation or for both.

(ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and, the leased assets are not recognised on the statement of financial position. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Leasehold land which in substance is an operating lease is classified as prepaid lease payments.

2. Significant accounting policies (continued)

(k) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks including the accounts maintained pursuant to the Housing Developers (Housing Development Account) (Amendment) Regulations 2002), and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of pledged deposits.

(l) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where 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. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements, and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

(m) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

2. Significant accounting policies (continued)

(m) Income tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unutilised reinvestment allowance, being a tax incentive that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

(n) Revenue recognition

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. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of development properties

Revenue from sale of development properties is recognised based on the stage of completion measured by reference to 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 property 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 the development units 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 immediately in profit or loss.

(ii) Completed development properties and development land

Revenue relating to sale of completed development properties and development land is recognised net of discounts when transfer of risks and rewards has been completed.

(iii) Construction contracts and road paving works

Revenue from construction contracts and road paving works is accounted for using the stage of completion method as described in Note 2(f).

2. Significant accounting policies (continued)

(n) Revenue recognition (continued)

(iv) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(v) Rental income

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

(vi) Revenue from hotel and golf resort operations

The income from rental of rooms, subscription and green fees, rental of golfing facilities and other related income are recognised on an accrual basis.

(vii) Dividend income

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

(viii) Management fees

Management fees are recognised when services are rendered.

(ix) Interest income and profit from Islamic deposit

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

(x) Project management fee

The project management fee is recognised based on certain percentage of the gross sales value of the development project.

(xi) Government grant

Government grant are recognised on an accrual basis as describe in Note 2(t).

2. Significant accounting policies (continued)

(o) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(p) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(q) Earnings per ordinary share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

2. Significant accounting policies (continued)

(r) Operating segment

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

(s) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(t) Government grant

Government grants are in respect of advances and subsidies awarded by the Government for the upgrading of green and golf course. Grants that compensate expenses incurred are recognised as income to match the costs that it is intended to compensate.

An asset-related grant is recorded as a deduction against the carrying amount of the related asset which is subsequently recognised in income by way of reduced depreciation charges.

(u) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

2. Significant accounting policies (continued)

(u) Fair value measurement (continued)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3. Property, plant and equipment

	* Land, buildings and estate development expenditure RM	Plant and machinery and site equipment RM
Group		
Cost		
At 1 January 2014	57,607,590	49,272,888
Additions	26,937	1,620,733
Disposals	-	(717,702)
Write off	-	-
Adjustments ^	(1,638,329)	(1,534)
At 31 December 2014 / 1 January 2015	55,996,198	50,174,385
Additions	858,062	2,988,218
Disposals	-	(1,093,001)
Write off	-	-
At 31 December 2015	56,854,260	52,069,602
Accumulated depreciation		
At 1 January 2014	10,900,975	35,920,426
Depreciation charge for the year (Note 22)	1,331,543	2,288,358
Depreciation capitalised in construction contract costs (Note 18.1)	-	-
Disposals	-	(717,509)
Write off	-	-
Adjustments ^	(1,077,993)	(6,131)
At 31 December 2014 / 1 January 2015	11,154,525	37,485,144
Depreciation charge for the year (Note 22)	923,828	2,337,049
Depreciation capitalised in construction contract costs (Note 18.1)	-	-
Disposals	-	(1,092,994)
Write off	-	-
At 31 December 2015	12,078,353	38,729,199
Carrying amounts		
At 1 January 2014	46,706,615	13,352,462
At 31 December 2014 / 1 January 2015	44,841,673	12,689,241
At 31 December 2015	44,775,907	13,340,403

Others comprise furniture and fittings, electrical installations and office equipment as well as renovation.
^ Adjustments comprise reclassifications and changes to previously recorded amounts.

# Others RM	Motor vehicles RM	Construction work-in-progress RM	Total RM
9,099,537	8,350,811	95,177	124,426,003
3,427,867	1,366,821	-	6,442,358
(726,498)	(628,375)	-	(2,072,575)
(348,402)	(129,829)	-	(478,231)
134,598	9,247	-	(1,496,018)
11,587,102	8,968,675	95,177	126,821,537
2,679,729	4,101,626	10,000	10,637,635
(694,550)	(864,087)	-	(2,651,638)
(56,591)	(238,260)	-	(294,851)
13,515,690	11,967,954	105,177	134,512,683
7,676,142	7,004,240	-	61,501,783
866,455	462,885	-	4,949,241
-	182,286	-	182,286
(723,344)	(515,932)	-	(1,956,785)
(336,630)	(116,703)	-	(453,333)
(314,408)	(90,463)	-	(1,488,995)
7,168,215	6,926,313	-	62,734,197
1,464,270	828,425	-	5,553,572
-	177,024	-	177,024
(691,341)	(864,075)	-	(2,648,410)
(56,540)	(142,374)	-	(198,914)
7,884,604	6,925,313	-	65,617,469
1,423,395	1,346,571	95,177	62,924,220
4,418,887	2,042,362	95,177	64,087,340
5,631,086	5,042,641	105,177	68,895,214

3. Property, plant and equipment (continued)

* Land, buildings and estate development expenditure for the Group

	Freehold land RM	Long term leasehold land RM	Office building RM
Group			
Cost			
At 1 January 2014	3,513,402	8,578,151	11,161,953
Additions	-	-	-
Adjustments ^	409,643	(2,262,265)	1,127,903
At 31 December 2014 / 1 January 2015	3,923,045	6,315,886	12,289,856
Additions	-	-	-
At 31 December 2015	3,923,045	6,315,886	12,289,856
Accumulated depreciation			
At 1 January 2014	-	2,182,272	1,952,907
Depreciation charge for the year	-	78,949	278,844
Adjustments ^	-	(1,286,206)	703,685
At 31 December 2014	-	975,015	2,935,436
Depreciation charge for the year	-	78,949	278,846
At 31 December 2015	-	1,053,964	3,214,282
Carrying amounts			
At 1 January 2014	3,513,402	6,395,879	9,209,046
At 31 December 2014 / 1 January 2015	3,923,045	5,340,871	9,354,420
At 31 December 2015	3,923,045	5,261,922	9,075,574

Golf course RM	Club house, chalets and other buildings RM	Estate development expenditure RM	Total RM
9,605,754	23,887,651	860,679	57,607,590
-	26,937	-	26,937
-	(913,610)	-	(1,638,329)
9,605,754	23,000,978	860,679	55,996,198
-	858,062	-	858,062
9,605,754	23,859,040	860,679	56,854,260
-	5,905,118	860,678	10,900,975
-	973,750	-	1,331,543
-	(495,472)	-	(1,077,993)
-	6,383,396	860,678	11,154,525
-	566,033	-	923,828
-	6,949,429	860,678	12,078,353
9,605,754	17,982,533	1	46,706,615
9,605,754	16,617,582	1	44,841,673
9,605,754	16,909,611	1	44,775,907

3. Property, plant and equipment (continued)

	Long term leasehold land RM	Office building RM	Estate development expenditure RM
Company			
Cost			
At 1 January 2014	6,000,000	11,457,680	860,679
Additions	-	-	-
At 31 December 2014 / 1 January 2015	6,000,000	11,457,680	860,679
Additions	-	-	-
Disposal	-	-	-
At 31 December 2015	6,000,000	11,457,680	860,679
Accumulated depreciation			
At 1 January 2014	862,500	2,291,534	860,679
Depreciation charge for the year (Note 22)	75,000	229,154	-
At 31 December 2014 / 1 January 2015	937,500	2,520,688	860,679
Depreciation charge for the year (Note 22)	75,000	229,154	-
Disposals	-	-	-
At 31 December 2015	1,012,500	2,749,842	860,679
Carrying amounts			
At 1 January 2014	5,137,500	9,166,146	-
At 31 December 2014 / 1 January 2015	5,062,500	8,936,992	-
At 31 December 2015	4,987,500	8,707,838	-

Others comprise furniture and fittings, electrical installations and office equipment as well as renovation.

Plant and machinery RM	# Others RM	Motor vehicles RM	Total RM
3,343,160	1,806,537	946,872	24,414,928
-	2,170,339	235,542	2,405,881
3,343,160	3,976,876	1,182,414	26,820,809
-	1,426,654	216,022	1,642,676
-	-	(159,449)	(159,449)
3,343,160	5,403,530	1,238,987	28,304,036
3,343,159	1,224,590	656,630	9,239,092
-	426,992	136,147	867,293
3,343,159	1,651,582	792,777	10,106,385
-	756,117	149,752	1,210,023
-	-	(159,446)	(159,446)
3,343,159	2,407,699	783,083	11,156,962
1	581,947	290,242	15,175,836
1	2,325,294	389,637	16,714,424
1	2,995,831	455,904	17,147,074

3. Property, plant and equipment (continued)

3.1 Assets under finance lease

During the financial year, the Group and the Company acquired property, plant and equipment by the following means:

	Group		Company	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Finance lease	4,178,235	299,519	-	-
Cash and cash equivalents	6,459,400	6,142,839	1,642,676	2,405,881
	10,637,635	6,442,358	1,642,676	2,405,881

Included in the carrying amount of property, plant and equipment are the following assets acquired under finance lease arrangement :

	Group		Company	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Plant and machinery	3,827,581	2,964,378	-	-
Motor vehicles	75,451	383,290	-	-
	3,903,032	3,347,668	-	-

Details of the terms and conditions of the finance lease arrangements are disclosed in Note 17.

3.2 Fully depreciated assets

Included in property, plant and equipment of the Group and the Company are fully depreciated assets which are still in use costing RM33,003,899 (2014 : RM36,338,052) and RM1,652,743 (2014 : RM1,313,745) respectively.

4. Investment property

	Freehold land RM	Leasehold land RM	Total RM
Group			
Cost			
At 1 January 2015	-	-	-
Additions	17,954,876	16,016,989	33,971,865
At 31 December 2015	17,954,876	16,016,989	33,971,865
Accumulated depreciation			
At 1 January 2015 / 31 December 2015	-	-	-
Carrying amount			
At 31 December 2014 / 1 January 2015	-	-	-
At 31 December 2015	17,954,876	16,016,989	33,971,865

4. Investment property (continued)

	Freehold land RM	Buildings RM	Total RM
Company			
Cost			
At 1 January 2014 / 31 December 2014	700,000	8,608,849	9,308,849
At 1 January 2015 / 31 December 2015	700,000	8,608,849	9,308,849
Accumulated depreciation			
At 1 January 2014	-	1,033,062	1,033,062
Depreciation charge for the year (Note 22)	-	172,177	172,177
At 31 December 2014 / 1 January 2015	-	1,205,239	1,205,239
Depreciation charge for the year (Note 22)	-	172,177	172,177
At 31 December 2015	-	1,377,416	1,377,416
Carrying amount			
At 1 January 2014	700,000	7,575,787	8,275,787
At 31 December 2014 / 1 January 2015	700,000	7,403,610	8,103,610
At 31 December 2015	700,000	7,231,433	7,931,433

4. Investment property (continued)

4.1 The following are recognised in profit or loss in respect of investment property:

	Company	
	2015 RM	**2014 RM**
Rental income	120,000	120,000
Direct operating expenses:		
- income generating investment property	184,187	184,187

4.2 Other outgoing cost

Included in the investment property during the year are the following costs:

	Group	
	2015 RM	**2014 RM**
Interest expense (Note 21)	237,133	-

4.3 Security

The entire investment property of the Group is pledged as security for borrowing (Note 17).

4.4 Fair value information

Investment property of the Group comprises undeveloped land located at Langkawi. Investment property of the Company comprises serviced apartment that is leased to a subsidiary to earn rental income or held for capital appreciation. The fair value of the properties is classified as level 3 where there have been no recent transactions of similar properties at or near reporting date. The fair value of the investment property of the Group and of the Company as at 31 December 2015 is determined as RM35,000,000 (2014: Nil) and RM16,290,000 (2014 : RM16,290,000) respectively.

Fair value is determined by the independent external valuer, fair value is determined based on comparable transactions with relevant adjustments being made to key attributes such as the timing of the transaction, land size and shape, accessibility of the location, zoning and etc.

5. Investment in subsidiaries - Company

	2015 RM	2014 RM
Unquoted shares, at cost	59,257,531	57,257,531
Accumulated impairment losses	(1,100,002)	(1,100,002)
	58,157,529	56,157,529

Movement in impairment losses:

	2015 RM	2014 RM
At 1 January	1,100,002	1,000,002
Charge for the year (Note 22)	-	100,000
At 31 December	1,100,002	1,100,002

5. Investment in subsidiaries - Company (continued)

5.1 The details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2015 %	2014 %
BDB Land Sdn. Bhd. (formerly known as Darulaman Realty Sdn. Bhd.)*	Malaysia	Property development, investment holding and project management services	100	100
BDB Synergy Sdn. Bhd. (formerly known as Kedah Sato Sdn. Bhd.)	Malaysia	Building and general contractor	100	100
BDB Infra Sdn. Bhd. (formerly known as Bina and Kuari (K) Sdn. Bhd.)	Malaysia	Granite quarry operator and civil engineering contractor	100	100
BDB Darulaman Golf Resort Berhad (formerly known as Darulaman Golf Resort Berhad (DGRB))*^	Malaysia	Golf resort owner and operator	99	99
Kedah Holdings Sdn. Bhd.	Malaysia	Property development and property investment	100	100
BDB Construction Sdn. Bhd.	Malaysia	General contractor	100	100
BDB Ventures Sdn. Bhd. (formerly known as BDB Quarry Sdn. Bhd.)*	Malaysia	Dormant	100	100
BDB Hotels Sdn. Bhd.*	Malaysia	Hotel business	100	100
BDB Trading Sdn. Bhd.*	Malaysia	Dormant	100	100
Aman Lagenda Sdn. Bhd.*	Malaysia	Property investment	100	-

* The Company has provided financial support to these subsidiaries.

^ 52,218 ordinary shares of RM1 each are equivalent to 99% and are held by subsidiaries of the Company.

5. Investment in subsidiaries - Company (continued)

5.2 Non-controlling interest in a subsidiary

The Group's subsidiary that have material non-controlling interests ("NCI") is as follows :

	2015 RM	2014 RM
NCI percentage of ownership interest and voting interest - DGRB	1%	1%
Carrying amount of NCI	8,044,560	8,060,562
Loss allocated to NCI	16,002	7,438
Summarised financial information before intra-group elimination :		
As at 31 December		
Non-current assets	14,876,850	14,457,455
Current assets	1,709,183	1,367,188
Non-current liabilities	(28,748)	(51,589)
Current liabilities	(10,063,008)	(8,076,114)
Net assets	6,494,277	7,696,940
Year ended 31 December		
Revenue	3,463,705	3,569,556
Loss for the year and comprehensive expense	1,202,663	581,083
Cash flows from/(used in) operating activities	782,586	(158,251)
Cash flows used in investing activities	(815,566)	(123,337)
Cash flows (used in)/from financing activities	(97,053)	222,687
Net decrease in cash and cash equivalents	(130,033)	(58,901)
Dividend paid to NCI	-	-

6. Interest in unincorporated joint venture - Group

	2015 RM	2014 RM
At 1 January	-	449,802
Share of loss	-	(2,503)
Distribution	-	(447,299)
At 31 December	-	-

Summary of financial information of the unincorporated joint venture are as follows :

	2015 RM	2014 RM
Current assets	-	696,200
Current liabilities	-	(696,200)

The interest of the Group in jointly controlled entity is listed below :

Unincorporated joint venture	Principal activities	Profit sharing rate (%)	
		2015	2014
TH Universal Builders - Bina Darulaman Berhad J.V. (held by the Company)	Design, construction, equipping, commissioning and maintenance of a new Sungai Petani Hospital	-	30

The unincorporated joint venture has been dissolved.

7. Other investments

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Financial assets at fair value through profit or loss :				
- Held for trading	910,924	2,546,837	737,887	2,373,800

8. Land held for property development

	Freehold land RM	Leasehold land RM	Total RM
Group			
At 1 January 2014	84,134,076	14,114,745	98,248,821
Additions	165,533,886	45,483,000	211,016,886
Transfer to cost of sales	(85,670)	(13,693,627)	(13,779,297)
Transfer to property development cost (Note 11)	(18,474,747)	-	(18,474,747)
At 31 December 2014/ 1 January 2015	231,107,545	45,904,118	277,011,663
Additions	18,379,263	2,435,630	20,814,893
Transfer to property development costs (Note 11)	(5,728,247)	-	(5,728,247)
At 31 December 2015	243,758,561	48,339,748	292,098,309
Company			
At 1 January 2014	-	14,114,745	14,114,745
Additions	156,544,605	45,483,000	202,027,605
Disposal	-	(13,693,628)	(13,693,628)
At 31 December 2014/ 1 January 2015	156,544,605	45,904,117	202,448,722
Additions	4,631,849	520,569	5,152,418
At 31 December 2015	161,176,454	46,424,686	207,601,140

8. Land held for property development (continued)

8.1 Other outgoing costs

Included in land held for property development of the Group and Company are amount of RM44,830,322 (2014 : RM37,762,838) and RM5,199,960 (2014 : RM47,544) respectively representing other outgoing cost incurred.

8.2 Security

Freehold land of the Group with carrying amount of RM6,026,754 (2014 : RM6,026,754) are pledged as security for borrowings (Note 17).

8.3 Title deed

The title deed to the land held for property development with a carrying amount of RM119,097,577 (2014 : RM202,020,000) has yet to be issued under the name of the Company.

8.4 Joint venture arrangement

Included in land held for property development is an amount of RM13,654,467 (2014 : RM17,181,523) representing freehold land and development expenditure incurred for a joint venture project.

The joint venture agreement is with the ultimate holding company whereby the Group acquired a piece of land from the ultimate holding company for mixed development purposes. The profits, if any, from the joint venture project is to be shared at the following proportion by the two parties and are payable on percentage of completion basis.

	2015	2014
The Group	80%	80%
Ultimate holding company	20%	20%

Losses, if any, from the joint venture project will be borne by the Group.

9. Deferred tax assets / (liabilities)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2015 RM	2014 RM	2015 RM	2014 RM	2015 RM	2014 RM
Capital allowance carry-forwards	-	384,271	-	-	-	384,271
Property, plant and equipment - capital allowances	-	-	(3,067,493)	(2,457,297)	(3,067,493)	(2,457,297)
Other temporary differences	3,263,495	1,698,888	-	-	3,263,495	1,698,888
Tax assets/ (liabilities)	3,263,495	2,083,159	(3,067,493)	(2,457,297)	196,002	(374,138)
Set-off of tax	(2,072,158)	(1,778,289)	2,072,158	1,778,289	-	-
	1,191,337	304,870	(995,335)	(679,008)	196,002	(374,138)

Deferred tax assets and liabilities are offset when there are legally enforceable rights to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

	2015 RM	2014 RM
Company		
Deferred tax asset		
Other temporary differences	-	133,807

9. Deferred tax assets / (liabilities) (continued)

Recognised deferred tax assets and liabilities (continued)

Movements in temporary differences during the year are as follows:

	At 1 January 2014 RM	Charged to profit or loss (Note 25) RM	At 31 December 2014 / 1 January 2015 RM	Charged to profit or loss (Note 25) RM	At 31 December 2015 RM
Group					
Capital allowance carry-forwards	-	384,271	384,271	(384,271)	-
Property, plant and equipment-capital allowances	(2,127,596)	(329,701)	(2,457,297)	(610,196)	(3,067,493)
Other temporary differences	1,064,509	634,379	1,698,888	1,564,607	3,263,495
	(1,063,087)	688,949	(374,138)	570,140	196,002
Company					
Other temporary differences	634,111	(500,304)	133,807	(133,807)	-

Unrecognised deferred tax assets

No deferred tax assets have been recognised for the following items (stated at gross):

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Tax losses carry-forwards	18,027,000	6,040,000	11,037,000	-
Capital allowances carry-forwards	17,283,000	15,335,000	1,605,000	-
Other temporary differences	327,000	304,000	-	-
	35,637,000	21,679,000	12,642,000	-

The tax losses carry-forwards, capital allowances carry-forwards and other temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the subsidiaries and the Company can utilise the benefits therefrom.

The comparative figures have been restated to reflect the revised tax losses carry-forwards, capital allowances carry-forwards and other temporary differences available to the subsidiaries and the Company.

10. Trade and other receivables

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Non-current					
Trade					
Amounts due from a related party	10.1	267,421,943	286,521,531	-	-
Current					
Trade					
Third parties		105,931,614	93,472,420	569,958	849,182
Accrued billings		5,623,108	20,144,434	-	-
Amount due from related parties	10.1	19,909,790	27,032,431	-	-
Amount due from ultimate holding company	10.2	8,086,899	6,329,778	-	-
		139,551,411	146,979,063	569,958	849,182
Less : Allowance for impairment		(4,034,606)	(11,724,482)	-	-
		135,516,805	135,254,581	569,958	849,182
Construction contracts : Amount due from contract customers (Note 18.1)		3,140,192	10,334,925	-	-
Retention sums		2,852,064	3,117,966	-	-
		141,509,061	148,707,472	569,958	849,182

10. Trade and other receivables (continued)

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Current					
Non-trade					
Amount due from subsidiaries	10.3	-	-	44,308,461	44,665,461
Prepayments		1,787,383	338,370	42,384	41,652
Refundable deposits		7,001,183	13,643,441	3,106,446	11,186,281
Other receivables		7,460,593	11,744,923	1,254,008	8,759,197
		16,249,159	25,726,734	48,711,299	64,652,591
Less : Allowance for impairment					
- third parties		(444,803)	(444,803)	(52,854)	(52,854)
- subsidiaries		-	-	(2,366,476)	(1,982,994)
		15,804,356	25,281,931	46,291,969	62,616,743
		157,313,417	173,989,403	46,861,927	63,465,925

10.1 Amount due from related parties

Included in non-current and current trade receivables is an amount of RM287,331,733 (2014 : RM308,796,065) due from a related party for the Kolej Universiti Insaniah (KUIN) project completed during 2013 which are unsecured, subject to fixed interest at 4.20% (2014 : 4.20%) per annum. The Group has granted deferred payment terms and the receivables are recognised based on their net present values discounted at a rate of 5.96% (2014 : 5.96%) per annum. The discount rate was estimated based on cost of borrowings on inception date.

During the financial year, the management has made its best estimate of the total contract amount to be received on deferred payment terms from a related party, upon completion of the contract. Any revision of the amount subsequent to the reporting date will be taken to profit or loss as an adjustment against future income receivable from the related party.

10.2 Amount due from ultimate holding company

The trade amount due from ultimate holding company is subject to normal trade terms.

10.3 Amounts due from subsidiaries

The non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

11. Property development costs - Group

	2015 RM	2014 RM
At 1 January		
Land	2,485,406	11,177,595
Development costs	82,990,382	221,749,733
Accumulated costs charged to profit or loss	(45,111,297)	(156,516,284)
	40,364,491	76,411,044
Add :		
Development costs incurred during the year	77,982,684	60,172,241
Transfer from land held for property development (Note 8)	5,728,247	18,474,747
	83,710,931	78,646,988
Less :		
Costs charged to profit or loss	(85,514,139)	(102,142,330)
Transfer to inventories	(16,300,394)	(12,551,211)
	(101,814,533)	(114,693,541)
At 31 December *	22,260,889	40,364,491
* This amount comprises :		
Freehold land	676,075	2,485,406
Development costs	60,902,710	82,990,382
Accumulated costs charged to profit or loss	(39,317,896)	(45,111,297)
	22,260,889	40,364,491

11.1 Development costs incurred during the year

Included in the development costs incurred during the year are the following costs:

	2015 RM	2014 RM
Interest expense (Note 21)	444,165	804,774

11. Property development costs - Group (continued)

11.2 Estimates and judgements

The Group recognised property development revenue and expenses in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date compared to the estimated total property development costs.

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

12. Inventories

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
At cost :				
Properties held for sale	21,067,848	8,473,937	-	-
Work-in-progress	7,123,000	7,123,000	7,123,000	7,123,000
Consumables and spares	1,513,071	1,649,500	-	-
Building materials	5,249,291	4,320,812	-	-
	34,953,210	21,567,249	7,123,000	7,123,000

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM14,333,962 (2014 : RM19,179,304).

13. Deposits with licensed banks - Group

	Group	
	2015 RM	2014 RM
Aged more than 3 months	6,601,900	4,702,629
Aged within 3 months	19,260,802	21,291,723
	25,862,702	25,994,352

Deposits placed with the licensed banks which are government-related entities amounted to RM6,278,556 (2014 : RM13,697,170).

Deposits of the Group amounted to RM5,750,736 (2014 : RM5,713,972) are pledged for bank facilities granted to the Group.

14. Cash and bank balances

Included in cash and bank balances of the Group are amounts of RM29,047,129 (2014 : RM6,386,641), where the utilisation is subject to the Housing Developers (Housing Development Account) (Amendment) Regulations 2002.

Cash and bank balances of the Group and of the Company that placed in banks which are government-related entities amounted to RM48,093,399 (2014 : RM34,266,508) and RM12,705,974 (2014 : RM3,066,834) respectively.

15. Share capital - Group / Company

	2015		2014	
	Amount RM	Number of shares	Amount RM	Number of shares
Ordinary shares of RM1 each				
Authorised :				
At 1 January	400,000,000	400,000,000	100,000,000	100,000,000
Created during the year	-	-	300,000,000	300,000,000
At 31 December	400,000,000	400,000,000	400,000,000	400,000,000
Issued and fully paid :				
Balance at 1 January	72,815,856	72,815,856	72,815,856	72,815,856

15. Share capital - Group / Company (continued)

	2015		2014	
	Amount RM	Number of shares	Amount RM	Number of shares
Issue of shares pursuant to :				
- Right issue	72,815,856	72,815,856	-	-
- Bonus issue	72,815,856	72,815,856	-	-
- Other consideration	85,407,409	85,407,409	-	-
Balance at 31 December	303,854,977	303,854,977	72,815,856	72,815,856

Share capital

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

16. Reserves

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Non-distributable :				
Share premium	27,164,721	17,062,137	27,164,721	17,062,137
Distributable :				
Retained earnings	174,083,834	194,412,038	7,848,280	52,072,229
	201,248,555	211,474,175	35,013,001	69,134,366

The movements in the reserves are disclosed in statements of changes in equity.

Share premium

Share premium comprise the premium paid on subscription of shares in the Company over and above the par value of the shares.

17. Loans and borrowings - Group

	2015 RM	2014 RM
Current		
Secured :		
Finance lease liabilities	1,111,035	957,245
Term loan 1	26,922,535	26,976,379
Bankers' acceptances	516,515	-
Unsecured :		
Bank overdraft	1,739	-
Revolving credit	12,500,000	14,000,000
	41,051,824	41,933,624
Non-current		
Secured :		
Finance lease liabilities	2,359,419	334,406
Term loans :		
Term loan 1	242,302,812	269,171,503
Term loan 2	25,600,000	-
	270,262,231	269,505,909
	311,314,055	311,439,533

17.1 Security

Term loan 1

Term loan 1 relates to Syndicated Islamic Financing Facility up to RM330 million, (RM200 million by Bank Islam Malaysia Berhad and RM130 million by Affin Islamic Bank) for the Kolej Universiti Insaniah (KUIN) project and is secured by way of :

(a) first legal charge over the KUIN Campus;
(b) deposits pledged with licensed banks as disclosed in Note 13;
(c) letter of comfort from Kedah State Government;
(d) corporate guarantee by the Company of RM330 million;
(e) assignment of project site rights; and
(f) a first fixed charge over the Designated Accounts.

17. Loans and borrowings - Group (continued)

17.1 Security (continued)

Term loan 2

Term loan 2 relates to Murabahah Term Financing-i up to RM25,600,000 by Affin Islamic Bank to finance the purchase of 2 parcels of industrial land located at Langkawi and is secured by way of:

(a) first legal charge over the lands as disclosed in Note 4; and
(b) corporate Guarantee by the Company of RM25.6 million.

Revolving credit

Revolving credit relates to facility from Affin Islamic Bank for working capital purpose.

Bankers' acceptances

Bankers' acceptances relates to facility from OCBC Al-Amin Bank for working capital purposes and is secured by cash deposit and a corporate guarantee from the Company.

17.2 Finance lease liabilities

Finance lease liabilities are payable as follows :

	2015			2014		
	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM
Less than 1 year	1,266,465	155,430	1,111,035	1,001,598	44,353	957,245
Between 1 and 5 years	2,529,545	170,126	2,359,419	354,242	19,836	334,406
	3,796,010	325,556	3,470,454	1,355,840	64,189	1,291,651

18. Trade and other payables

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Trade					
Trade payables		119,172,131	122,308,916	76,094	341,354
Progress billing		-	7,533,932	-	-
Amount due to contract customers	18.1	411,153	161,255	-	-
		119,583,284	130,004,103	76,094	341,354
Non-trade					
Other payables and accruals	18.3	30,683,266	221,686,760	9,541,798	206,745,391
Refundable deposits		1,197,162	1,280,238	925,670	995,637
Amount due to related companies	18.2	29,763	29,763	8,974,239	9,971,497
Dividend payable		29,400	15,506	29,400	15,506
		31,939,591	223,012,267	19,471,107	217,728,031
		151,522,875	353,016,370	19,547,201	218,069,385

18. Trade and other payables (continued)

18.1 Amount due from/to contract customers

	2015 RM	2014 RM
Construction contract costs incurred to date	461,754,897	551,046,844
Attributable profits	25,126,656	32,430,797
	486,881,553	583,477,641
Less : Progress billings	(484,152,514)	(573,303,971)
	2,729,039	10,173,670
Represented by :		
Amount due from contract customers (Note 10)	3,140,192	10,334,925
Amount due to contract customers	(411,153)	(161,255)
	2,729,039	10,173,670

The cost incurred to date on construction contracts included the following charges made during the financial year :

	2015 RM	2014 RM
Depreciation (Note 3)	177,024	182,286
Hire of plant and machinery	504,619	1,165,479
Rental of premises	9,600	29,685
Interest expense (Note 21)	8,455	14,499
Staff costs	4,304,542	729,178

18.2 Amount due to related companies

The non-trade amounts due to related companies are unsecured, interest-free and payable on demand.

18.3 Other payables and accruals

Included in other payables and accruals of the Group and the Company is an amount of RM6,939,207 (2014 : RM202,020,000), payable to ultimate holding company for acquisition of land in last financial year.

19. Revenue

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Sales of development properties and land	106,800,143	165,472,595	-	20,792,000
Revenue from sand quarry, road paving and premix aggregate	102,599,086	85,000,812	-	-
Revenue from construction contracts	25,173,247	70,761,096	-	-
Revenue from golf resort and hotel operations	5,510,473	3,907,663	-	-
Sales of oil palm fresh fruit bunches	2,370,848	2,514,004	2,186,942	1,987,522
Management fees from subsidiaries	-	-	1,979,000	792,000
Dividend income from subsidiaries	-	-	17,400,001	20,100,000
Others	842,591	1,222,615	-	-
	243,296,388	328,878,785	21,565,943	43,671,522

20. Costs of sales

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cost of development properties and land sold	77,229,805	135,261,719	-	13,693,627
Sand quarry, road paving and premix aggregate costs	76,379,439	64,114,305	-	-
Construction contract costs	13,159,692	61,573,273	-	-
Cost of golf resort and hotel operations	3,462,237	2,631,202	-	-
Cost of oil palm fresh fruit bunches sold	1,306,458	1,177,671	1,073,716	891,194
Others	817,835	1,785,578	-	-
	172,355,466	266,543,748	1,073,716	14,584,821

21. Finance costs

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Interest expense on :				
- Bank loans and bank overdrafts	682,359	1,109,159	-	-
- Obligations under finance lease	121,200	109,044	-	1,173
Profit payable on Islamic loans	14,906,109	17,371,287	-	487,603
	15,709,668	18,589,490	-	488,776
Less : Interest expense capitalised in				
- investment property (Note 4.2)	(237,133)	-	-	-
- property development costs (Note 11.1)	(444,165)	(804,774)	-	-
- construction contract costs (Note 18.1)	(8,455)	(14,499)	-	-
	15,019,915	17,770,217	-	488,776

22. Profit before tax

Profit before tax is arrived at :

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
After charging :				
Auditors' remuneration				
- Statutory audit	247,000	242,000	75,000	75,000
- Other services	311,155	160,000	296,155	160,000
Depreciation of :				
- property, plant and equipment (Note 3)	5,553,572	4,949,241	1,210,023	867,293
- investment property (Note 4)	-	-	172,177	172,177
Property, plant and equipment written off (net of adjustments)	95,937	31,921	-	-
Impairment loss on investments in subsidiaries (Note 5)	-	-	-	100,000
Operating lease - minimum lease payments for :				
- land and buildings	243,864	107,494	128,370	128,370
- plant and machinery	20,198	20,198	-	-
- office equipment	25,638	19,440	25,638	19,440
Office rental	104,541	-	93,741	96,178
Impairment loss on trade receivables	133,997	6,852,721	383,482	566,985

22. Profit before tax (continued)

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Bad debts written off	-	2,708,951	-	-
Share of loss of unincorporated joint venture	-	2,503	-	-
Royalties and tributes	691,723	911,080	-	-
and after crediting :				
Government grant	-	185,950	-	-
Rental income from other property	923,362	954,761	1,178,578	1,258,013
Rental income from machinery	58,975	7,000	-	-
Gain on disposal of property, plant and equipment	170,953	199,048	22,537	-
Interest income	2,104,373	1,912,288	686,648	1,005,797
Unwinding of discount on non current receivables	22,233,467	23,861,226	-	-
Dividend income from other investments	5,932	6,392	-	-
Project management fees	-	40,475	-	40,475
Bad debts recovered	-	354,736	-	4,989
Reversal of impairment loss on trade receivables	5,477,314	-	-	-

23. Employee benefits

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Personnel expense (including key management personnel)				
Wages and salaries	21,893,151	16,039,945	5,747,801	3,497,731
Social security costs	360,099	289,191	37,256	24,855
Contributions to defined contribution plan	2,951,660	2,095,210	643,340	366,561
Other benefits	3,350,972	2,175,979	1,463,558	679,892
	28,555,882	20,600,325	7,891,955	4,569,039

24. Key management personnel compensation

The key management personnel compensation are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Executive director:				
Fees	36,000	36,000	36,000	36,000
Salaries and other emoluments	976,559	600,358	970,309	521,458
	1,012,559	636,358	1,006,309	557,458
Non-Executive directors:				
Fees	279,733	400,317	164,322	117,000
Other emoluments	465,500	238,850	309,500	208,500
	745,233	639,167	473,822	325,500
Total directors' remuneration	1,757,792	1,275,525	1,480,131	882,958
Estimated monetary value of benefits-in-kind	6,500	6,425	6,500	6,425
Total directors' remuneration including benefits-in-kind	1,764,292	1,281,950	1,486,631	889,383
Senior management of the Group:				
Salaries and other emoluments	5,543,486	1,899,938	1,468,350	1,077,370
	7,307,778	3,181,888	2,954,981	1,966,753

25. Tax expense

Recognised in profit or loss

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Income tax expense	16,567,040	9,702,198	311,094	609,817

25. Tax expense (continued)

Major components of income tax expense include :

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Current tax expense				
- Current year	15,252,112	10,763,310	-	-
- Under/(Over) provision in prior years	1,885,068	(372,163)	177,287	109,513
	17,137,180	10,391,147	177,287	109,513
Deferred tax expense				
- Origination and reversal of temporary differences	585,459	(1,205,936)	226,879	93,234
- (Over)/Under provision in prior years	(1,155,599)	516,987	(93,072)	407,070
	(570,140)	(688,949)	133,807	500,304
Total income tax expense	16,567,040	9,702,198	311,094	609,817

Reconciliation of tax expense

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit before tax	40,766,720	33,862,477	631,031	19,081,593
Tax calculated using Malaysian tax rate at 25%	10,191,680	8,465,619	157,758	4,770,398
Non-deductible expenses	2,156,677	1,362,618	1,258,416	859,640
Non-taxable income	-	(49,975)	(4,350,000)	(5,025,000)

25. Tax expense (continued)

Reconciliation of tax expense (continued)

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Effect of deferred tax assets not recognised	3,489,500	293,616	3,160,705	-
Effect of utilisation of deferred tax assets previously not recognised	-	(515,447)	-	(511,804)
Under provision in prior years	729,469	144,824	84,215	516,583
Others	(286)	943	-	-
Income tax expense recognised in profit or loss	16,567,040	9,702,198	311,094	609,817

26. Earnings per share

The calculation of basic earnings per ordinary share at 31 December 2015 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows :

	Group	
	2015	2014
Profit for the year attributable to owners (RM)	24,215,682	24,167,717
Number of ordinary shares issued		
At 1 January	72,815,856	72,815,856
Effect of exercise of right issues	68,825,946	-
Effect of bonus issues	68,825,946	72,815,856
Effect of other consideration	79,448,200	-
Weighted average number of ordinary shares at 31 December	289,915,948	145,631,712
Basic earnings per ordinary share (sen)	8.35	16.60

27. Dividends

	Total amount RM	Date of payment
2015 Final single tier dividend of 3.50 sen per share for financial year 2014	10,634,924	20 May 2015
2014 Final single tier dividend of 7.00 sen per share for financial year 2013	5,097,110	20 May 2014

At the forthcoming Annual General Meeting, a first and final single tier dividend in respect of the financial year ended 31 December 2015, of 4.00 sen on 303,854,977 ordinary shares, totalling RM12,154,199 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 2016.

28. Commitments

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Property, plant and equipment				
Authorised but not contracted for	8,939,000	4,901,000	4,621,000	2,693,900
Contracted but not provided for	13,979,000	1,560,000	584,000	-

29. Related party transactions

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

The Group has related party relationship with its significant investors, subsidiaries of the Company and significant investors, government related entities, Directors and 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.

(a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

29. Related party transactions (continued)

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Subsidiaries :				
Rental income	-	-	255,216	255,216
Dividend income	-	-	17,400,001	20,100,000
Management fees	-	-	1,979,000	792,000
Rendering of services	-	-	166,927	162,000
Interest charged	-	-	36,218	582,403
Rental expenses	-	-	131,370	134,370
Ultimate holding company :				
Progress billings charged	5,689,709	5,186,021	-	-
Rental of quarry land	50,000	50,000	-	-
Tributes charged	641,723	163,062	-	-
Acquisition of land	-	202,020,000	-	202,020,000
Related party -subsidiaries of ultimate holding company :				
Insurance paid	2,409,089	1,454,306	410,126	407,942
Property management fee	96,084	89,444	96,084	89,444
Revenue from oil palm	2,370,848	2,514,004	2,186,942	1,987,522
Estate agency fee	40,368	229,732	33,044	229,732
Acquisition of land	8,686,286	-	-	-
Government-related financial institutions :				
Interest income	749,602	282,103	-	-
State Government-related entities :				
Quit rent and assessment	396,234	1,119,915	67,872	59,836
Water	249,839	102,685	12,091	7,273
Progress billing	67,471,264	-	-	-
Federal Government-related entities :				
Sewerage	77,169	57,900	7,003	-
Electricity	1,942,657	1,671,442	190,636	167,228
Progress billing	29,356,298	40,454,156	-	-

29. Related party disclosures (continued)

(b) Transaction with Directors and key management personnel

There were no transactions with the Directors and key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their appointment as disclosed in Note 24.

30. Financial instruments

30.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows :

(a) Loans and receivables ("L&R");
(b) Fair value through profit and loss ("FVTPL"); and
(c) Financial liabilities measured at amortised cost ("FL").

	Carrying amount RM	L&R RM	FVTPL RM
Financial assets 2015 Group			
Other investments	910,924	-	910,924
Trade and other receivables (excluding amount due from contract customers, prepayments and accrued billings)	414,184,677	414,184,677	-
Deposits with licensed banks	25,862,702	25,862,702	-
Cash and bank balances	76,352,622	76,352,622	-
	517,310,925	516,400,001	910,924
Company			
Other investments	737,887	-	737,887
Trade and other receivables (excluding prepayments)	46,819,543	46,819,543	-
Cash and bank balances	12,739,589	12,739,589	-
	60,297,019	59,559,132	737,887

30. Financial instruments (continued)

30.1 Categories of financial instruments (continued)

	Carrying amount RM	L&R RM	FVTPL RM
2014			
Group			
Other investments	2,546,837	-	2,546,837
Trade and other receivables (excluding amount due from contract customers, prepayments and accrued billings)	429,693,205	429,693,205	-
Deposits with licensed banks	25,994,352	25,994,352	-
Cash and bank balances	66,305,945	66,305,945	-
	524,540,339	521,993,502	2,546,837
Company			
Other investments	2,373,800	-	2,373,800
Trade and other receivables (excluding prepayments)	63,424,273	63,424,273	-
Cash and bank balances	3,093,807	3,093,807	-
	68,891,880	66,518,080	2,373,800

30. Financial instruments (continued)

30.1 Categories of financial instruments (continued)

	Carrying amount RM	FL RM
Financial liabilities		
2015		
Group		
Loans and borrowings	311,314,055	311,314,055
Trade and other payables (excluding amount due to contract customers)	151,111,722	151,111,722
	462,425,777	462,425,777
Company		
Trade and other payables	19,457,201	19,457,201
2014		
Group		
Loans and borrowings	311,439,533	311,439,533
Trade and other payables (excluding progress billings and amount due to contract customers)	345,321,183	345,321,183
	656,760,716	656,760,716
Company		
Trade and other payables	218,069,385	218,069,385

30. Financial instruments (continued)

30.2 Net gains and losses arising from financial instruments :

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Net gains/(losses) arising on :				
- Loans and receivables	29,681,157	16,566,578	303,166	443,801
- Finance liabilities measured at amortised cost	(15,709,668)	(18,589,490)	-	(488,776)

30.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments :

- Credit risk
- Liquidity risk
- Interest rate risk

30.4 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 other financial assets (including other investments, short term deposits and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with counterparties of high credit rating and good business track record.

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.

Receivables

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 individual receivables balances on an ongoing basis.

At the reporting date, approximately 32% (2014: 22%) of the Group's trade receivables were due from a group of customers which are past due but not impaired. The Directors of the Company are of the opinion that no allowance for impairment is necessary as the balances are still considered fully recoverable.

30. Financial instruments (continued)

30.4 Credit risk (continued)

Receivables (continued)

Credit risk concentration profile (continued)

The non-current and current trade amount due from a related party of the Group is amount due from the Kedah State Government for the Kolej Universiti Insaniah (KUIN) project completed during 2013. The Group has granted deferred payment terms to the receivables. The Directors of the Company are of the opinion that no allowance for impairment is necessary as the payments follows repayment schedule.

Other than the above and the amounts due from related companies as disclosed in Note 10, the Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

The disclosure of the credit risk exposure for trade receivables as at the end of the reporting period by geographic region is not disclosed as the Group's and the Company's business is operated solely in Malaysia.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. Cash and cash equivalents and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Impairment losses

The Group maintains an ageing analysis in respect of trade receivables (excluded amount due from customers on construction contract, accrued billings and retention sum) only. The ageing of receivables as at the end of the reporting period was:

	Gross RM	Individual impairment/ Collective impairment RM	Net RM
2015			
Not past due	271,369,227	-	271,369,227
Past due less than 30 days	12,510,609	-	12,510,609
Past due 31 - 60 days	50,914,319	-	50,914,319
Past due 61 - 90 days	16,444,739	-	16,444,739
Past due more than 90 days	50,111,352	(4,034,606)	46,076,746
	401,350,246	(4,034,606)	397,315,640
2014			
Not past due	315,096,689	-	315,096,689
Past due less than 30 days	58,617,662	-	58,617,662
Past due 31 - 60 days	8,287,809	-	8,287,809
Past due 61 - 90 days	6,217,518	-	6,217,518
Past due more than 90 days	25,136,482	(11,724,482)	13,412,000
	413,356,160	(11,724,482)	401,631,678

30. Financial instruments (continued)

30.4 Credit risk (continued)

Receivables (continued)

Impairment losses (continued)

The movements in the allowance for impairment losses of trade receivables during the financial year were:

	Group	
	2015 RM	**2014 RM**
At 1 January	11,724,482	5,567,305
Impairment loss recognised	133,997	6,852,721
Impairment loss reversal	(5,477,314)	-
Write off	(2,346,559)	(695,544)
At 31 December	4,034,606	11,724,482

At the reporting date, all of the Company's trade receivables were current and not past due.

The allowance account in respect of receivable is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Investments and other financial assets

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group.

The maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position. Management does not expect any counterparty to fail to meet its obligations. The Group does not have overdue investments that have not been impaired.

The investments and other financial assets are unsecured.

Inter company balances

The Company provides unsecured advances to subsidiaries within the Group. The Company monitors the results of the subsidiaries regularly.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries and jointly controlled entity. The Company monitors on an ongoing basis the results of the subsidiaries and jointly controlled entity and repayments made by the subsidiaries and jointly controlled entity.

30. Financial instruments (continued)

30.4 Credit risk (continued)

Financial guarantees (continued)

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM307.84 million (2014 : RM310.15 million) representing the outstanding banking facilities to certain subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

30.5 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 actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash, cash convertible investments and committed credit lines to meet its working requirements.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

30. Financial instruments (continued)

	Carrying amount RM	Contractual interest rates %	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
2015							
Group							
Non-derivative financial liabilities							
Term loans	294,825,347	5.80 - 7.35	397,998,347	45,998,576	49,130,354	135,316,666	167,552,751
Revolving credit	12,500,000	5.75 - 6.30	12,500,000	12,500,000	-	-	-
Finance lease liabilities	3,470,454	2.49 - 6.60	3,796,010	1,266,465	1,262,139	1,267,406	-
Bankers' acceptance	516,515	4.85	516,515	516,515	-	-	-
Bank overdraft	1,739	8.50	1,739	1,739	-	-	-
Trade and other payables	151,111,722	-	151,111,722	151,111,722	-	-	-
	462,425,777		565,924,333	211,395,017	50,392,493	136,584,072	167,552,751
Company							
Non-derivative financial liabilities							
Trade and other payables	19,547,201	-	19,547,201	19,547,201	-	-	-
Financial guarantee	307,841,862	-	307,841,862	307,841,862	-	-	-
	327,389,063		327,389,063	327,389,063	-	-	-
2014							
Group							
Non-derivative financial liabilities							
Term loans	296,147,882	5.35 - 5.90	407,707,918	45,297,789	43,677,606	121,764,735	196,967,788
Revolving credit	14,000,000	5.30 - 5.45	14,000,000	14,000,000	-	-	-
Finance lease liabilities	1,291,651	2.39 - 6.60	1,355,840	1,001,598	212,349	141,893	-
Trade and other payables	345,321,183	-	345,321,183	345,321,183	-	-	-
	656,760,716		768,384,941	405,620,570	43,889,955	121,906,628	196,967,788
Company							
Non-derivative financial liabilities							
Trade and other payables	218,069,385	-	218,069,385	218,069,385	-	-	-
Financial guarantee	310,147,882	-	310,147,882	310,147,882	-	-	-
	528,217,267		528,217,267	528,217,267	-	-	-

30. Financial instruments (continued)

30.6 Interest rate risk

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

The Group's interest rate risk arises primarily from interest-earning financial assets and interest-bearing financial liabilities. Borrowings and deposits at floating rates expose the Group to cash flow interest rate risk. Borrowings and receivables at fixed rates expose the Group to fair value interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group	
	2015 RM	**2014 RM**
Fixed rate instrument		
Financial assets		
- Amount due from a related party	287,331,733	308,796,065
- Deposits placed with licensed banks	25,862,702	25,994,352
	313,194,435	334,790,417
Financial liabilities		
- Finance lease liabilities	3,470,454	1,291,651
Floating rate instrument		
Financial liabilities		
- Term loan	294,825,347	296,147,882
- Revolving credit	12,500,000	14,000,000
- Bank overdraft	1,739	-
- Bankers' acceptance	516,515	-
	307,843,601	310,147,882

30. Financial instruments (continued)

30.6 Interest rate risk (continued)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedged accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 50 basis points lower/higher, will all other variables held constant, the Group's post-tax profit or loss would have been RM1,154,414 (2014 : RM1,163,054) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

30.7 Fair value information

The carrying amounts of cash and bank balances, receivables and payables approximate fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

30. Financial instruments (continued)

30.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value			
	Level 1 RM	**Level 2 RM**	**Level 3 RM**	**Total RM**
Group				
2015				
Financial assets				
Trade and other receivable (non-current)	-	-	-	-
Other investments	910,924	-	-	910,924
	910,924	-	-	910,924
Financial liabilities				
Term loans	-	-	-	-
Financial lease liabilities	-	-	-	-
	-	-	-	-
2014				
Financial assets				
Trade and other receivable (non-current)	-	-	-	-
Other investments	2,546,837	-	-	2,546,837
	2,546,837	-	-	2,546,837
Financial liabilities				
Term loans	-	-	-	-
Financial lease liabilities	-	-	-	-
	-	-	-	-
Company				
2015				
Financial assets				
Other investments	737,887	-	-	737,887
2014				
Financial assets				
Other investments	2,373,800	-	-	2,373,800

The Company provides guarantees to banks for credit facilities extended to certain subsidiaries. The fair value of such financial guarantee is negligible as the probability of the subsidiaries defaulting on the credit link is remote.

Fair value of financial instruments not carried at fair value					
Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Total fair value RM	Carrying amount RM
-	-	267,421,943	267,421,943	267,421,943	267,421,943
-	-	-	-	910,924	910,924
-	-	267,421,943	267,421,943	268,332,867	268,332,867
-	-	294,825,347	294,825,347	294,825,347	294,825,347
-	-	3,470,454	3,470,454	3,470,454	3,470,454
-	-	298,295,801	298,295,801	298,295,801	298,295,801
-	-	286,521,531	286,521,531	286,521,531	286,521,531
-	-	-	-	2,546,837	2,546,837
-	-	286,521,531	286,521,531	289,068,368	289,068,368
-	-	296,147,882	296,147,882	296,147,882	296,147,882
-	-	1,291,651	1,291,651	1,291,651	1,291,651
-	-	297,439,533	297,439,533	297,439,533	297,439,533
-	-	-	-	737,887	737,887
-	-	-	-	2,373,800	2,373,800

30. Financial instruments (continued)

30.7 Fair value information (continued)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Derivatives

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. The carrying amount of floating rate term loan approximately fair value as their effective interest rate changes accordingly to movements in the market interest rate.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year. (2014: no transfer in either directions)

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

Non-current trade and other receivables not carried at fair value

The non-current and current trade amount due from a related party of the Group is amount due from the Kedah State Government for the Kolej Universiti Insaniah (KUIN) project. The Group has granted deferred payment terms and the receivables are recognised based on their net present values discounted at a rate of 5.96% (2014 : 5.96%) per annum, which the management does not expect the fair value to differ significantly from its carrying amount.

Sensitivity analysis

At the reporting date, if interest rates had been 50 basis points lower/higher, will all other variables held constant, the Group's post-tax profit or loss would have been RM1,002,832 (2014 : RM1,074,456) higher/lower.

31. 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 or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2015 and 2014.

32. Segment information

The Group is organised into four major business segments for each of the strategic business units, the Chief Operating Decision Maker ("CODM") (ie. The Group's Managing Director) reviews internal management reports at least on a quarterly basis.

(i) Property development - the development of residential and commercial properties

(ii) Quarrying and road paving work - granite quarry operator and civil engineering contractor

(iii) Construction - building and general contractor

(iv) Operation of golf resort and hotel - golf resort owner and operator and hotel operation

Other non-reportable segments comprise operations related trading of consumables and investment holding. None of these segments met the quantitative thresholds for reporting segments in 2015 and 2014.

Segment profit

Performance is measured based on segment from profit as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total asset is used to measure the return on assets of each segment.

Segment liabilities

Segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by CODM.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and land held for development.

32. Segment information (continued)

	Property development RM'000	Quarrying and road paving RM'000	Construction RM'000
2015			
Revenue			
External sales	106,984	102,599	26,016
Inter-segment sales	131	9,386	58,568
Total revenue	107,115	111,985	84,584
Segment profit / (loss)	17,942	24,575	16,301
Included in the measure of segment profit are:			
- Finance income (including unwinding of discount on non-current receivables)	1,649	235	22,570
- Finance costs	189	67	14,727
2015			
Assets			
Segment assets	590,538	108,948	408,119
Included in the measure of segment assets is:			
Additions to non-current assets other than financial instruments and deferred tax assets			
- Property, plant and equipment	4,231	5,417	118
- Land held for development	20,814	-	-
Liabilities			
Segment liabilities	139,249	54,135	344,498
Other information			
Tax expense	6,390	6,475	3,952
Depreciation of property, plant and equipment	1,736	3,090	326

Operation of golf resort and hotel RM'000	Total reportable segments RM'000	Other non-reportable segments RM'000	Elimination RM'000	Consolidated RM'000
5,510	241,109	2,187	-	243,296
1,566	69,651	19,379	(89,030)	-
7,076	310,760	21,566	(89,030)	243,296
(1,754)	57,064	627	16,924	40,767
-	24,454	42	(158)	24,338
37	15,020	-	-	15,020
53,230	1,160,835	10	(179,493)	981,352
872	10,638	-	-	10,638
-	20,814	-	-	20,814
46,504	584,386	83	(116,265)	468,204
-	16,817	-	-	16,817
486	5,638	-	93	5,731

32. Segment information (continued)

	Property development RM'000	Quarrying and road paving RM'000	Construction RM'000
2014			
Revenue			
External sales	166,133	85,001	70,761
Inter-segment sales	131	12,701	46,797
Total revenue	166,264	97,702	117,558
Segment profit / (loss)	18,937	11,907	11,773
Included in the measure of segment profit are:			
- Finance income (including unwinding of discount on non-current receivables)	565	568	24,475
- Finance costs	791	78	17,187
2014			
Assets			
Segment assets	595,204	72,844	424,945
Included in the measure of segment assets is:			
Additions to non-current assets other than financial instruments and deferred tax assets			
- Property, plant and equipment	1,126	2,287	405
- Land held for development	211,017	-	-
Liabilities			
Segment liabilities	348,247	27,131	369,674
Other information			
Tax expense	2,932	3,127	3,034
Depreciation of property, plant and equipment	1,261	2,657	338

Operation of golf resort and hotel RM'000	Total reportable segments RM'000	Other non-reportable segments RM'000	Elimination RM'000	Consolidated RM'000
4,996	326,891	1,987	-	328,878
1,634	61,263	20,892	(82,155)	-
6,630	388,154	22,879	(82,155)	328,878
(986)	41,631	11,981	(19,750)	33,862
-	25,608	1,006	(841)	25,773
18	18,074	-	(304)	17,770
17,332	1,110,325	10	(150,669)	959,666
218	4,036	2,406	-	6,442
-	211,017	-	-	211,017
10,852	755,904	79	(88,668)	667,315
-	9,093	609	-	9,702
550	4,806	-	325	5,131

32. Segment information (continued)

Geographical segments

No information on geographical segment is presented as the Group's business is operated solely in Malaysia.

Major customers

The following are the major customers with revenue equal or more than 10% of the Group's revenue:

	2015 RM	2014 RM
Customer A	30,960,000	41,040,000
Customer B	67,471,264	-

33. Supplementary financial information on the breakdown of realised and unrealised profits or losses

The breakdown of the retained earnings of the Group and of the Company as at 31 December 2015, into realised and unrealised profits, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows:

	2015		2014	
	Group RM	Company RM	Group RM	Company RM
Total retained earnings of the Company and its subsidiaries				
- realised	181,747,832	7,848,280	203,138,736	51,938,422
- unrealised	196,002	-	(374,138)	133,807
	181,943,834	7,848,280	202,764,598	52,072,229
Less : Consolidation adjustments	(7,860,000)	-	(8,352,560)	-
Total retained earnings	174,083,834	7,848,280	194,412,038	52,072,229

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profit or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by Malaysian Institute of Accountants on 20 December 2010.

Bina Darulaman Berhad (Company No. 332945 - X) (Incorporated in Malaysia) and its subsidiaries

Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 79 to 166 are drawn up in accordance with Financial Reporting Standards and the requirements of 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 of 31 December 2015 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out in Note 33 on page 167 to the financial statements has been compiled in accordance with the Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

…….
Dato' Paduka Haji Rasli bin Basir

…….
Dato' Izham bin Yusoff

Alor Setar,

Date: 1 March 2016

Statutory declaration pursuant to Section 169(16) of the Companies Act, 1965

I, **Mohd Rizal bin Zubair**, the officer primarily responsible for the financial management of Bina Darulaman Berhad, do solemnly and sincerely declare that the financial statements set out on pages 79 to 167 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Alor Setar in the State of Kedah Darul Aman on 1 March 2016.

……
Mohd Rizal bin Zubair
Before me:

Mohamad Ismail Sheikh Mohamad
(No. K095)

Commissioner for Oaths
Kedah Darul Aman

Independent auditors' report to the members of Bina Darulaman Berhad

(Company No. 332945 - X)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Bina Darulaman Berhad, which comprise the statements of financial position as at 31 December 2015 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 79 to 166.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 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 give a true and fair view of the financial position of the Group and of the Company as of 31 December 2015 and of their financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

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

a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries, have been properly kept in accordance with the provisions of the Act.

b) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

c) The audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 33 on page 167 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not required by the Financial Reporting Standards in Malaysia. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Other Matters

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

KPMG
Firm Number: AF 0758
Chartered Accountants

Tai Yoon Foo
2948/05/16 (J)
Chartered Accountant

Date: 1 March 2016

Penang

List of **Landed Properties**

List of Landed Properties

Owned by Bina Darulaman Berhad Group

No.	Title / Location	Brief Description / Existing Use	Land Area
	BINA DARULAMAN BERHAD		
1.	Lot 120, Section 34, Bandar Alor Setar Kedah Darul Aman	Land	8,095 sq meter
2.	Lot 120, Section 34, Bandar Alor Setar Kedah Darul Aman	10-Storey Office Building	8,095 sq meter
3.	GM 178050 Lot 8867, Bandar Darulaman, Daerah Kubang Pasu, Kedah Darul Aman	8-Storey Serviced Apartments	6,003.9 sq meter
4.	GM 178050 Lot 8867, Bandar Darulaman, Daerah Kubang Pasu, Kedah Darul Aman	Land	6,003.9 sq meter
5.	HS (D) 1175, PT 1716 Bandar Kuah Langkawi Kedah Darul Aman	Land for Development	1,890 sq meter
6.	HS (D) 1176, PT 1717 Bandar Kuah Langkawi Kedah Darul Aman	Land for Development	1,890 sq meter
7.	HS (D) 1177, PT 1718 Bandar Kuah Langkawi Kedah Darul Aman	Land for Development	22,890 sq meter
8.	HS (D) 1178, PT 1719 Bandar Kuah Langkawi Kedah Darul Aman	Land for Development	3,240 sq meter
9.	HS (D) 1179, PT 1720 Bandar Kuah Langkawi Kedah Darul Aman	Land for Development	2,220 sq meter
10.	HS (D) 1180, PT 1721 Bandar Kuah Langkawi Kedah Darul Aman	Land for Development	4,070 sq meter

Tenure	Age of Building (year)	Net Book Value RM	Revaluation RM	Date / Year of Acquisition / Purchase
Leasehold Expiring 2083	-	4,987,500.00	-	2002
Leasehold Expiring 2083	11	8,707,836.53	-	2004
Freehold	9	7,231,433.29	-	2005
Freehold	-	700,000.00	-	2005
Leasehold Expiring 2073	-	21,386.00	-	2013
Leasehold Expiring 2073	-	21,386.00	-	2013
Leasehold Expiring 2073	-	251,898.00	-	2013
Leasehold Expiring 2073	-	36,131.00	-	2013
Leasehold Expiring 2073	-	25,048.00	-	2013
Leasehold Expiring 2073	-	45,329.00	-	2013

No.	Title / Location	Brief Description / Existing Use	Land Area
11.	HS (D) 69188-69197, PT 2333- 2342 Mukim Sungai Ular Kulim Kedah Darul Aman	Land for Development	151.41 hectares
12.	HS (D) 2979, PT 2516 Bandar Pokok Sena Pokok Sena Kedah Darul Aman	Land for Development	51.45 hectares
13.	HS (D) 126043, PT 2416 HS (D) 126045, PT 2418 HS (D) 126050, PT 2423 HS (D) 34392, PT 65003 Bandar Amanjaya Kuala Muda Kedah Darul Aman HS (D) 90453, PT 48856 Bandar Sungai Petani Kuala Muda Kedah Darul Aman	Land for Development	93.07 hectares
14.	GRN 11523, 1659 Mukim Hosba Kubang Pasu Kedah Darul Aman	Land for Development	79.85 hectares
15.	HS (D) 1149 & 1150, PT 2042 & 2043 Mukim Ulu Melaka Langkawi Kedah Darul Aman HS (D) 1151, PT 2044 Mukim Ulu Melaka Langkawi Kedah Darul Aman	Land for Development Vacant Commercial Land	79.30 hectares 12.26 hectares
	BDB INFRA SDN BHD		
1.	No. 127 Taman Tunku Hosna Jalan Tanjung Bendahara 05300 Alor Setar Kedah Darul Aman	Commercial land with a 3-storey shop office	130 sq meter

Tenure	Age of Building (year)	Net Book Value RM	Revaluation RM	Date / Year of Acquisition / Purchase
Freehold	-	38,204,000.00	-	2014
Freehold	-	16,351,000.00	-	2014
Freehold	-	45,947,000.00	-	2014
Freehold	-	56,030,000.00	-	2014
Leasehold Expiring 2111	-	45,468,000.00	-	2014
Freehold	20	132,985.00 (Land Cost) 183,868.43 (Building & Renovations)	-	1996

No.	Title / Location	Brief Description / Existing Use	Land Area
2.	No. 128 Taman Tunku Hosna Jalan Tanjung Bendahara 05300 Alor Setar Kedah Darul Aman	Commercial land with a 3-storey shop office	130 sq meter
3.	HS(M) 70/1986 PT 70 Bandar Alor Setar Daerah Kota Setar Kedah Darul Aman	Vacant Commercial Land	130 sq meter
4.	8 bungalow lots at Kulim Golf & Country Resort HS(D) 369/1996, PT591, Mukim Padang China, Daerah Kulim, Kedah Darul Aman. HS(D) 1424, PT1730-Plot no.B718 HS(D) 1425, PT1731-Plot no.B719 HS(D) 1426, PT1732-Plot no.B720 HS(D) 1427, PT1733-Plot no.B721 HS(D) 1428, PT1734-Plot no.B722 HS(D) 1429, PT1735-Plot no.B723 HS(D) 1319, PT1625-Plot no.A613 HS(D) 1238, PT1544-Plot no.A532	Bungalow Lots	 6,315 sq ft 6,002 sq ft 6,292 sq ft 6,114 sq ft 6,094 sq ft 6,459 sq ft 6,243 sq ft 7,065 sq ft
	KEDAH HOLDINGS SDN BHD		
1.	Lot No. 118 (Second Floor) Lot No. 139 (Second Floor) Lot No. 146 (First Floor) Lot No. 149 (Second Floor) Lot No. 152 (First Floor) Lot No. 153 (Second Floor) Lot No. 154 (Second Floor) Lot No. 157 (First Floor) Lot No. 157 (Second Floor) Kompleks Kanchut Alor Setar Kedah Darul Aman	Office Lots	930 930 1,060 2,105 1,060 930 930 1,060 930 sq feet
	BDB LAND SDN BHD		
1.	HS(D) 17297 PT. 7263 HS(D) 17298 PT. 7264 HS(D) 17299 PT. 7265 HS(D) 17300 PT. 7266 Lot 891, Bandar Darulaman	Agriculture	4.08 acres
2.	GRN 42482 Lot 910, Bandar Darulaman	Agriculture	1.13 acres

Tenure	Age of Building (year)	Net Book Value RM	Revaluation RM	Date / Year of Acquisition / Purchase
Freehold	20	132,985.00 (Land Cost) 183,868.43 (Building & Renovations)	-	1996
Freehold	-	143,672.50	-	1999
Freehold	-	1,090,000.00	-	31/01/2010
Leasehold Expiring 2083	28	1,050,323.00	-	1984
Freehold	-	4.00	-	16/05/1983
Freehold	-	1.00	-	16/05/1983

No.	Title / Location	Brief Description / Existing Use	Land Area
3.	GRN 42483 LOT 911, Bandar Darulaman HS(D) 17909 PT. 1825 HS(D) 17910 PT. 1826 HS(D) 17911 PT. 1827 HS(D) 17912 PT. 1828 HS(D) 17913 PT. 1829 HS(D) 17914 PT. 1830	Building	0.61 acres
4.	GRN 42484 Lot 909, Bandar Darulaman	Agriculture	2.32 acres
5.	GRN 42485 Lot 892, Bandar Darulaman	Building	0.55 acres
6.	HS(D) 1174 PT. 4691, Mukim Naga	Agriculture	4.60 acres
7.	HS(D) 384 PT. 3993 – HS(D) 390 PT. 3999 (Suasana Indah) Plot 42 – Plot 48, Mukim Naga	Building	0.83 acres
8.	HS(D) 577 PT. 4186, Plot 235, Mukim Naga	Residential	27.21 acres
9.	HS(D) 578 PT. 4187, Plot 236, Mukim Naga	Residential	15.36 acres
10.	HS(D) 579 PT. 4188, Plot 237, Mukim Naga	Agriculture	43.98 acres
11.	HS(D) 580 PT. 4189, Plot 238, Mukim Naga	Agriculture	132.14 acres
12.	HS(D) 581 PT. 4190, Plot 239, Mukim Naga	Agriculture	0.34 acres
13.	Geran 5035 PT. 1237, Mukim Jitra, Daerah Kubang Pasu	Agriculture	43.12 acres
14.	SP 6986 PT. 440, Mukim Jitra, Daerah Kubang Pasu	Residential	4.92 acres
15.	SP 6987 PT. 441, Mukim Jitra, Daerah Kubang Pasu	Residential	84.74 acres
16.	HS(D) 3356 PT. 2059 HS(D) 3164 PT. 2061 HS(D) 3170 PT. 2092 HS(D) 3172 PT. 2094, Bandar Darulaman HS(D) 16284 Lot 281, Bandar Darulaman	Agriculture / Building Agriculture	213.06 acres 13.60 acres

Tenure	Age of Building (year)	Net Book Value RM	Revaluation RM	Date / Year of Acquisition / Purchase
Freehold	-	1.00	-	16/05/1983
Freehold	-	1.00	-	16/05/1983
Freehold	-	1.00	-	16/05/1983
Freehold	-	1.00	-	16/05/1983
Freehold	-	1,025,458.54	-	16/05/1983
Freehold	-	109,290.99	-	16/05/1983
Freehold	-	140,051.04	-	16/05/1983
Freehold	-	332,842.80	-	16/05/1983
Freehold	-	1,816,054.61	-	16/05/1983
Freehold	-	1.00	-	16/05/1983
Freehold	-	470,059.59	-	16/05/1983
Freehold	-	49,827.56	-	16/05/1983
Freehold	-	220,007.90	-	16/05/1983
Freehold	-	1,470,998.46	-	16/05/1983
		1.00	-	16/05/1983

No.	Title / Location	Brief Description / Existing Use	Land Area
17.	HS(D) 20188 PT. 4112 HS(D) 20189 PT. 4113 HS(D) 20191 PT. 4153 HS(D) 20192 PT. 4154 Bandar Darulaman	Residential	1.85 3.27 0.17 0.04 acres
18.	Lot 3105, 3106 & 3127 Mukim Sg. Petani, Daerah Kuala Muda	Agriculture	258.51 acres
19.	Lot 3107 & 3203, Mukim Sg. Petani, Daerah Kuala Muda	Residential	155.08 acres
20.	Geran No. 65187, Lot 3271 Mukim Sg. Petani, Daerah Kuala Muda	Mixed Development	20.00 acres
21.	PT 6933 PT 6934 PT 6935 Kuala Ketil Industrial Estate II, Lot 3979 Mukim Tawar, Daerah Baling	Agriculture Agriculture Agriculture	491.52 15.62 2.5 acres
22.	Geran 178049, Lot 8866, Mukim Bandar Darulaman, Daerah Kubang Pasu.	Club House	8.14 acres
	BDB DARULAMAN GOLF RESORT BERHAD		
1.	Geran 42474, Lot 898, Mukim Bandar Darulaman, Daerah Kubang Pasu	Golf Course	179.98 acres
	AMAN LAGENDA SDN BHD		
1.	HS(M) 353, PT 1304, HS(M) 354, PT 1301, Tempat Tanjung Semilang, Mukim Kedawang, Daerah Langkawi	Mixed Development	1.15 acre

Tenure	Age of Building (year)	Net Book Value RM	Revaluation RM	Date / Year of Acquisition / Purchase
Freehold	-	-	-	16/05/1983
Freehold	-	10,159,863.56	-	15/11/1995
Freehold	-	5,601,719.00	-	15/11/1995
Freehold	-	1,735,024.65	-	13/04/1996
Freehold	-	13,049,311.75	-	30/05/1996
Freehold	22	6,150,081.32	-	1983
Freehold	-	7,638,831.81	-	1983
Freehold Leasehold	-	32,000,000.00		2015

Analysis of Shareholdings
As at 15 February 2016

Authorised Share Capital	:	RM 400,000,000
Paid-up Share Capital	:	RM 303,854,977
Type of Shares	:	Ordinary share of RM1.00 each
No. of Shareholders	:	2,794
Voting Rights	:	One vote for every share

SIZE OF HOLDINGS	NO. OF HOLDERS	%	NO. OF SHARES	%
1 - 99	27	0.97	545	0.00
100 - 1,000	170	6.08	107,995	0.94
1,001 - 10,000	1,697	60.74	7,524,517	2.48
10,001 - 100,000	761	27.24	22,965,000	7.56
100,001 - 1,000,000	118	4.22	27,906,000	9.18
OVER 1,000,000	21	0.75	245,350,920	80.75
TOTAL	2,794	100.00	303,854,977	100.00

SUBSTANTIAL SHAREHOLDERS

NAME	NO. OF SHARES	PERCENTAGE OF SHARE CAPITAL (%)
1. PERBADANAN KEMAJUAN NEGERI KEDAH	204,444,388	67.28
	204,444,388	67.28

List of Top 30 Shareholders

As at 15 February 2016

NO.	NAME	SHAREHOLDINGS	%
1.	PERBADANAN KEMAJUAN NEGERI KEDAH	204,444,388	67.28
2.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR GENERAL TECHNOLOGY SDN BHD (PB)	7,511,200	2.47
3.	CHUANG, SHOW-CHUAN	3,129,600	1.03
4.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR SIVA KUMAR A/L M JEYAPALAN (PBCL-0G0015)	3,099,900	1.02
5.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUANG NEE WANG KIM LIEN	2,945,900	0.97
6.	TA NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUANG, SHOW-CHUAN	2,909,000	0.96
7.	JF APEX NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK (STA 1)	2,280,500	0.75
8.	JF APEX NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI (MARGIN)	2,096,000	0.69
9.	SYARIKAT MALURI SDN BHD	1,851,832	0.61
10.	RESON SDN BHD	1,567,000	0.52
11.	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD-AMANAH SAHAM KEDAH	1,560,000	0.51
12.	ANG HIOH	1,381,900	0.45
13.	ONN PING LAN	1,343,900	0.44
14.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIAW TECK SIONG (E-PDG)	1,343,800	0.44
15.	CHENG HON SANG	1,277,000	0.42
16.	LEE SEE JIN	1,181,800	0.39
17.	TEH SENG HOCK	1,165,000	0.38
18.	ANG HIOH	1,124,700	0.37
19.	ONN PING LAN	1,093,500	0.36
20.	YEO KHEE HUAT	1,025,000	0.34
21.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TUNG AH KIONG (E-KLG)	1,019,000	0.34
22.	HUANG PHANG LYE	946,900	0.31
23.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG HAR CHAI	809,400	0.27
24.	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAH SIEW SEONG	780,000	0.26
25.	LEE KOK CHUAN	700,000	0.23
26.	TEN KIN KOK	673,600	0.22
27.	FONG CHENG KOK	653,000	0.21
28.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE NGEE MOI	601,600	0.20
29.	CHENG HON SANG	531,000	0.17
30.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIAW TECK SIONG	509,000	0.17
	TOTAL	**251,555,420**	**82.79**

Proxy Form

NUMBER OF SHARES

I/We _____ of _____

being member/members of the abovementioned Company hereby appoint _____

_____ NRIC No.: _____

of _____

or failing him, _____ NRIC No.: _____

of _____

or failing him, the **CHAIRMAN OF THE MEETING** as my/our proxy to attend and vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on **Thursday, 31 March 2016, at 11.00 a.m.** at Majestic 2, Level 3, The Majestic Hotel Kuala Lumpur, 5, Jalan Sultan Hishamuddin, 50000 Kuala Lumpur or any adjournment thereof, as indicated below:

	Ordinary Resolutions	For	Against
Resolution 1	To approve a first and final single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 December 2015.		
Resolution 2	To approve the payment of Directors' Fee for the financial year ended 31 December 2015.		
Resolution 3 Resolution 4 Resolution 5	To re-elect the following Directors retiring pursuant to Article 86 of the Company's Articles of Association and who, being eligible, offer themselves for re-election. i. Dato' Paduka Haji Rasli bin Basir ii. Datuk Mohd Nasir bin Ahmad iii. Dato' Haji Abd Rahim bin Man		
Resolution 6	To re-appoint Messrs. KPMG as Auditors of the Company for the ensuing year and to authorise the Directors to determine their remuneration.		

Dated this _____ day of _____ , 2016

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

2016	No. of Shares	Percentage
Proxy 1		%
Proxy 2		%
		%

_____

Signature/Common Seal of Shareholder(s)

Notes:

1. With regards to deposited securities, only members whose names appear in the Record of Depositors as at 25 March 2016 shall be eligible to attend and vote at the meeting.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint up to two proxies to attend and vote in his stead. A member shall specify the shareholding proportion where two proxies are appointed. A proxy need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.
4. The instrument appointing a proxy together with the power of attorney or other authority, shall be deposited at the Company's Registered Office at Level 9, Menara BDB, 88, Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman not less than forty eight (48) hours before the time set for holding the meeting or at any adjournment thereof.
5. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd ("Depository") in accordance with Rules of the Depository, to issue Record of Depositors and make available to the Company pursuant to Article 52(iii) of the Company's Articles of Association and Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior written consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Stamp

The Company Secretary

BINA DARULAMAN BERHAD
Level 9 & 10, Menara BDB, No. 88, Lebuhraya Darulaman,
05100 Alor Setar, Kedah Darul Aman

SPIRIT OF ACHIEVEMENT

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