

BUILDING VALUE IN EVERY WAY



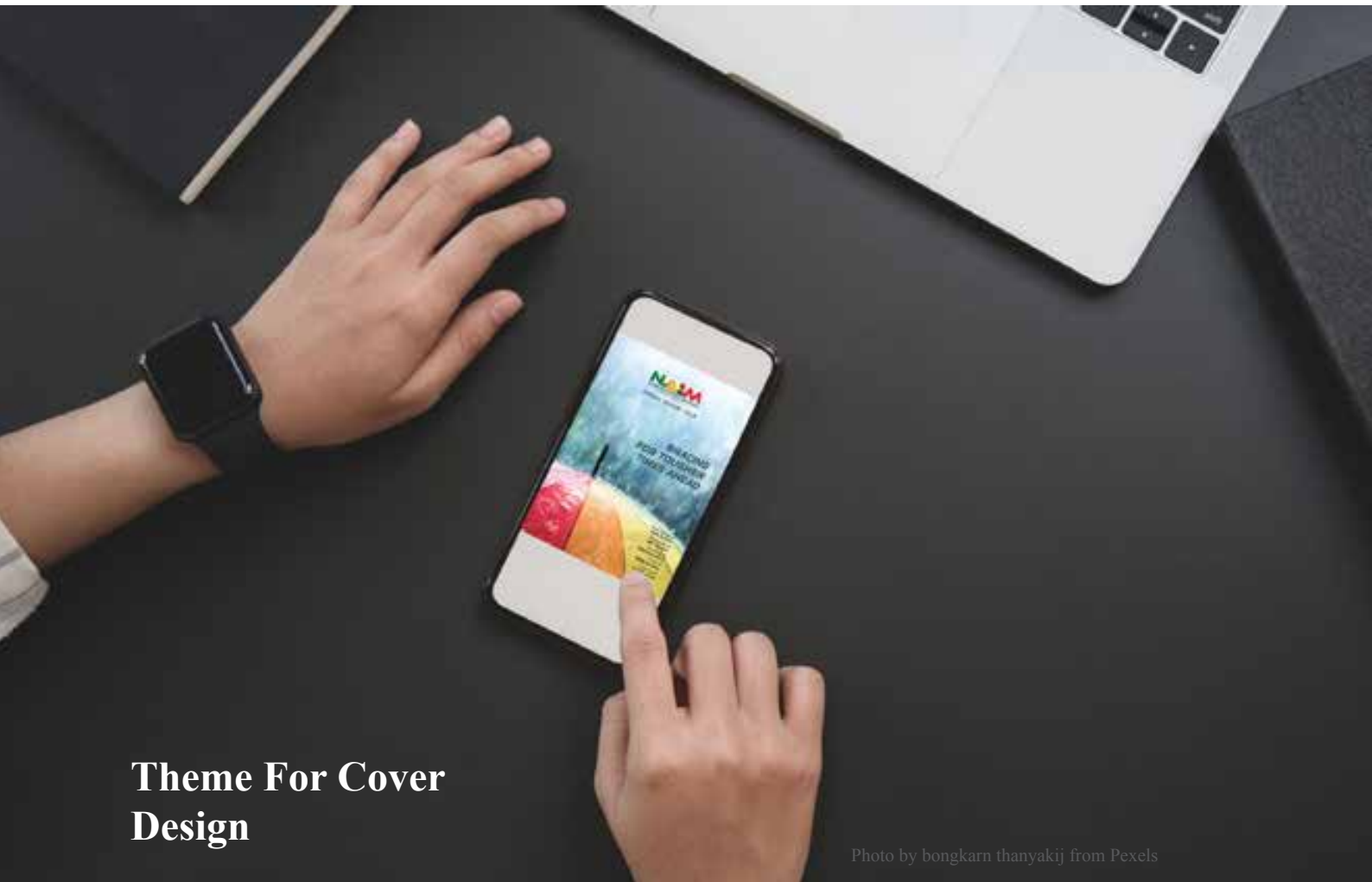
NAIM HOLDINGS BERHAD

REGISTRATION NO. 200201017804 (585467 - M)

ANNUAL REPORT 2019

BRACING FOR TOUGHER TIMES AHEAD

Total assets of
RM2.2billion
Net assets of
RM1.4billion
Revenue of
RM410.8million
Profit of
RM56.6million
Land bank
of **2500 acres**



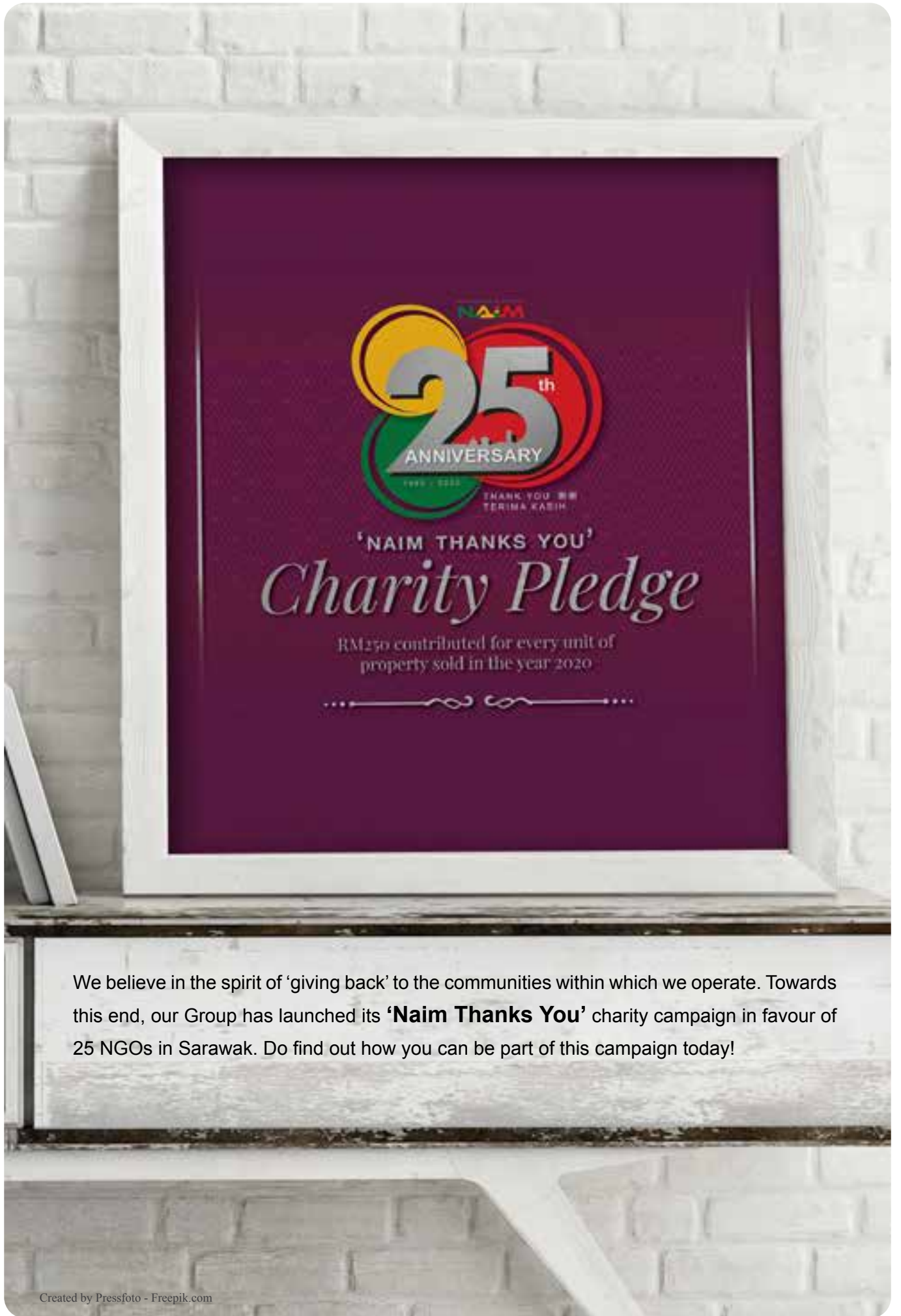
Theme For Cover Design

Photo by bongkarn thanyakij from Pexels

2019 was a year of consolidation and change, with various measures implemented to facilitate the Group's business sustainability amidst a challenging operating environment locally and globally. However, with increased global risks, more notably the Covid-19 novel coronavirus, this pandemic has brought with it, unprecedented adversities to businesses and economies.

The fight against Covid-19 is far from over, and the road to economic recovery is an arduous one. Hence, as the world prepares itself for the 'new normal', we need to brace ourselves for tougher times ahead, by persevering and being prepared to weather the storm.

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



We believe in the spirit of 'giving back' to the communities within which we operate. Towards this end, our Group has launched its **'Naim Thanks You'** charity campaign in favour of 25 NGOs in Sarawak. Do find out how you can be part of this campaign today!

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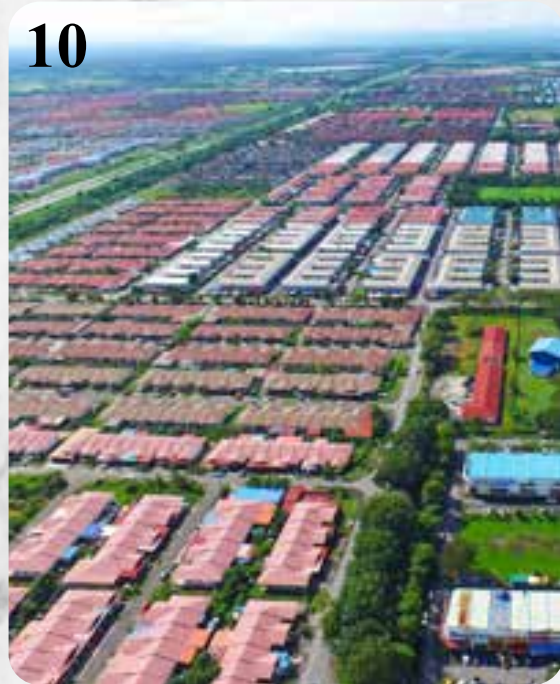
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Darul Hana Bridge, Kuching



Cautionary Statement Regarding Forward-Looking Statements

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

Our Vision

To be a **TOP NOTCH GLOBAL** property developer and infrastructure builder

Our Mission

To achieve our aspiration, we are committed to **BUILD VALUE IN EVERY WAY**, with you and for you by:

- ◆ **EXCEEDING CUSTOMER EXPECTATIONS**
- ◆ Being The **BEST PLACE TO WORK** on earth
- ◆ Being The **BEST COMPANY TO INVEST IN** and **DO BUSINESS WITH**
- ◆ Being an **EXEMPLARY CORPORATE CITIZEN** that **CONTRIBUTES GENEROUSLY** to the society, community and environment

Corporate Responsibility Statement

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



Naim Family Day (Bintulu & Miri Regions)

Our S.P.I.R.I.T.E.D Cultural Beliefs

SERVICE

I make customers & their needs my primary focus

PROFESSIONALISM & INTEGRITY

I demonstrate professionalism & integrity in everything I do

RESPECT

I treat others with dignity and respect, and expect to be treated the same

INNOVATION

I look for innovative ways to continually improve what we do in NAIM

TEAMWORK & ENGAGEMENT

I work as a team, and engage the contribution of Valued Partners to achieve collective goals

EMPOWERMENT

I am empowered and accountable for all my actions

DETERMINATION

I am determined & committed to overcoming challenges for the success of NAIM!



PART 1

Performance At A Glance

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Corporate Profile

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

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

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

Naim is a Class A Contractor with ISO 9001 certification. It is also one of Malaysia's leading Bumiputera contractors, having carried out more than RM5 billion worth of works (including its own development projects).

With its flagship property developments known as Naim Bandar Baru Permyjaya in Miri, Naim Kuching Paragon integrated development, Naim Desa Ilmu and Naim Riveria in Kuching and Naim Bintulu Paragon integrated development in Bintulu, Naim has built and developed more than 23,000 units of property for the Sarawak community.

Customer satisfaction year after year clearly demonstrates the philosophies of Naim's existence – excellent quality, timely delivery, value and customer service. This has resulted in a total of 36 industry awards and accolades being won since 2002, an acknowledgement of Naim's significant contribution in the property and construction sectors.

NAIM BANDAR BARU PERMYJAYA
@ MIRI SARAWAK



NAIM DESA ILMU
@ KOTA SAMARAHAN SARAWAK





NAIM RIVERIA
@ KOTA SAMARAHAN SARAWAK



Financial Calendar

Announcement of Results	1st quarter	26 Feb 2019
	2nd quarter	24 May 2019
	3rd quarter	29 Aug 2019
	4th quarter	28 Nov 2019
Notice of Annual General Meeting		25 Apr 2019
Annual General Meeting		24 May 2019
Notice of Extraordinary General Meeting		29 Oct 2019
Extraordinary General Meeting		28 Nov 2019

Investor Relations Service

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

5-Year Financial Highlights (in RM million)

Year	2015 [#]	2016 [#]	2017 [*]	2018	2019
Revenue	594	428	374	605	411
Profit/(Loss) before tax	44	4	(160)	79	63
Net Profit/(Loss) attributable to Owners of the Company	34	1	(181)	65	57
Earnings/(Loss) per share (sen)	14.49 [^]	0.30 [^]	(76.54) [^]	27.43 [^]	11.71 ^{**}
Total Assets	2,112	2,228	2,120	2,265	2,244
Shareholders' Equity	1,307	1,315	1,108	1,175	1,349
Net Tangible Assets	1,301	1,309	1,103	1,171	1,345
Net Tangible Assets per Share (RM)	5.20	5.24	4.41	4.68	2.62
Total Number of Shares (gross) (in million)	250	250	250	250	514

[#] Reported as transition entity under old Financial Reporting Standards (FRS) Framework

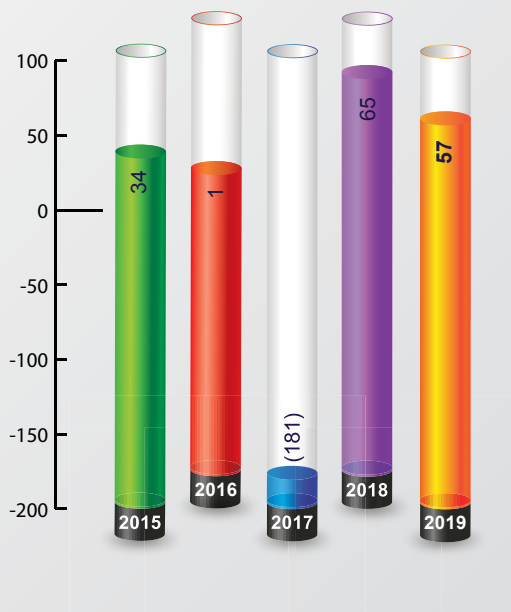
^{*} Restated upon the adoption of Malaysian Financial Reporting Standards (MFRS)

[^] Based on total no. of shares of 236.9million (net of treasury shares of 13.6million)

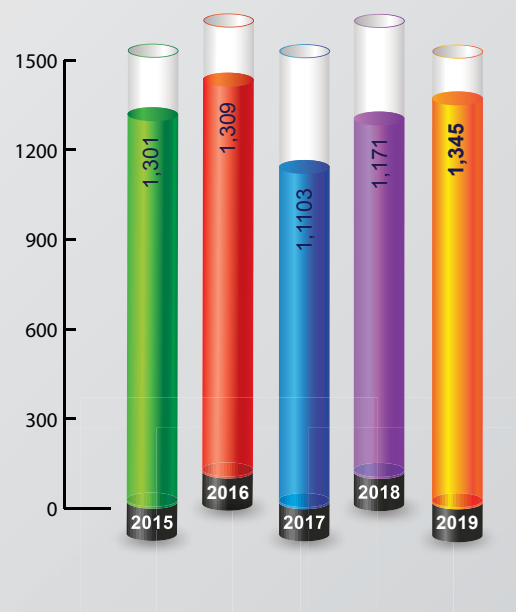
^{**} Based on total weighted average no. of shares of 483.4million (net of treasury shares of 13.6million)



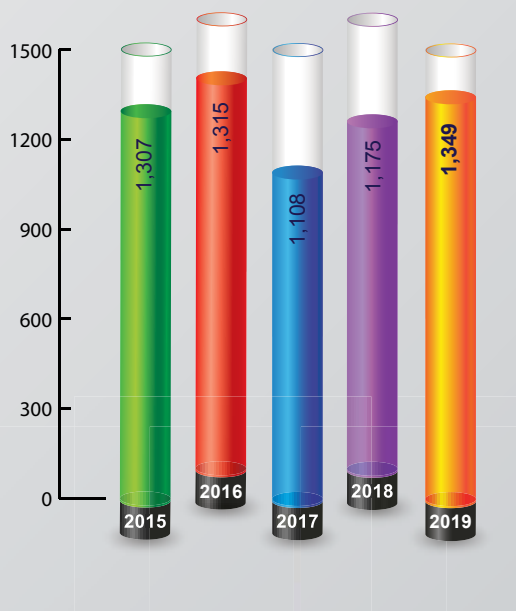
5-Year Financial Highlights (in RM million) (continued)



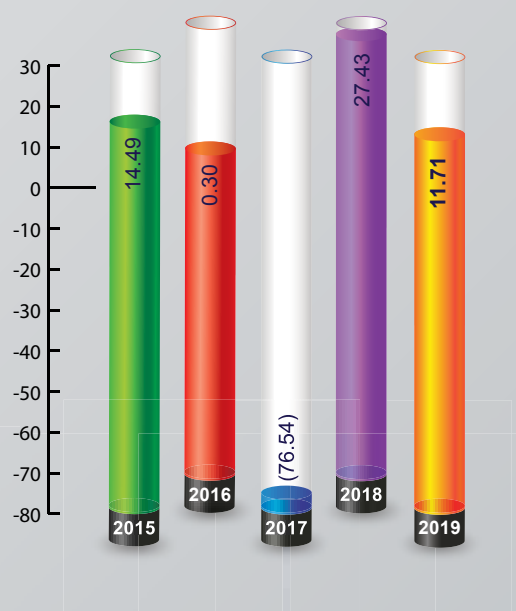
Net Profit/(Loss) attributable to Owners of the Company
(in RM million)



Net Tangible Assets
(in RM million)



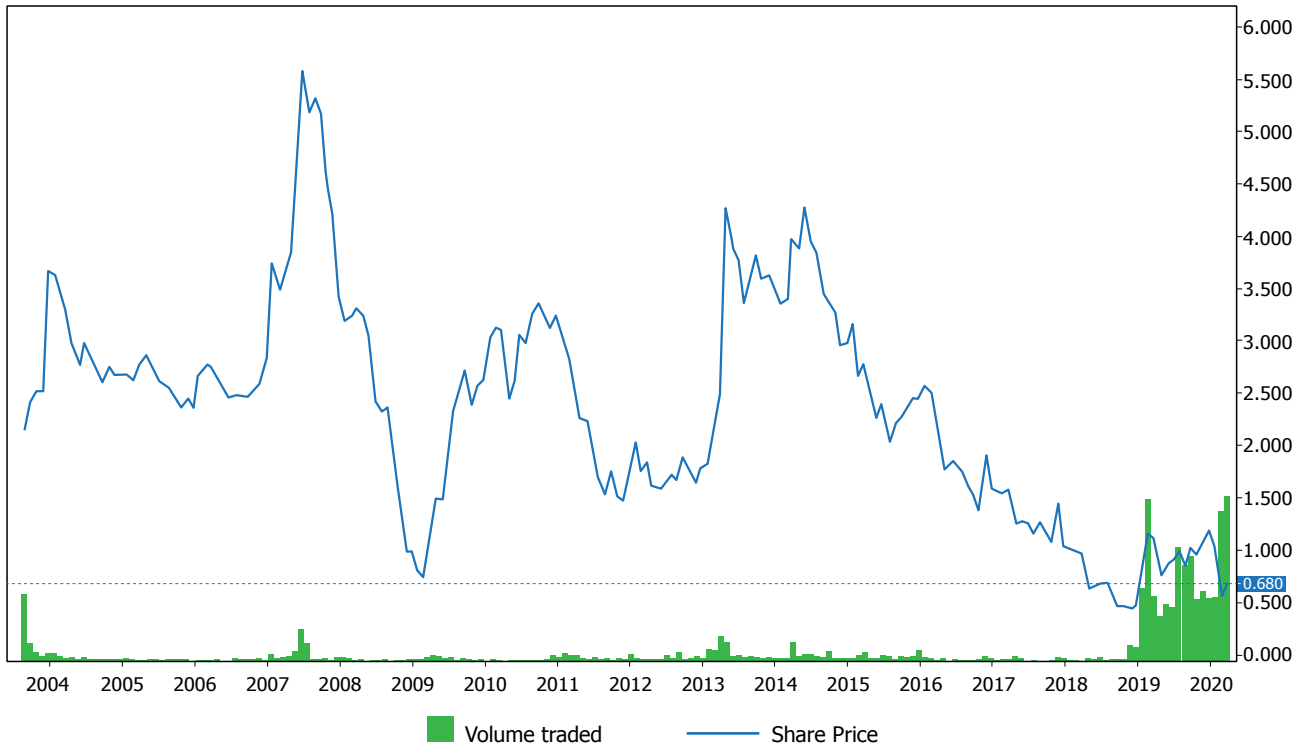
Shareholders' Equity
(in RM million)



Earnings/(Loss) per Share
(sen)

Share Performance

**NAIM HOLDINGS BERHAD Share Performance Chart
from 12 September 2003 to 30 April 2020**





THE BRANDLAUREATE ICONIC BRANDS OF THE LEADERSHIP AWARD 2024

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THE DECADE 2019



Christina Wong, Naim's Deputy Managing Director (2nd from left) receiving Naim's 'BrandLaureate Award' 2019

THE
OF YOUR
TO BE

ANNUAL REPORT 2019

Corporate Information

BOARD OF DIRECTORS

Chairman

- Datuk Amar Abdul Hamed Bin Haji Sepawi

Managing Director

- Datuk Hasmi Bin Hasnan

Deputy Managing Director

- Wong Ping Eng

Independent Non-Executive Directors

- Dato Ir. Abang Jemat Bin Abang Bujang
- Datin Mary Sa'diah Binti Zainuddin
- Datuk Ahmad Bin Abu Bakar
- Tan Chuan Dyi
- Sulaihah Binti Maimunni

Non-Independent Non-Executive Director

- Chin Chee Kong

Company Secretaries

- Bong Siu Lian (MAICSA 7002221)
SSM Practising Certificate No. 201908001493
- Hasmiah Binti Anthony Hasbi (SAA0772-KH004)
SSM Practising Certificate No. 201908002509

Registered Corporate Office

9th Floor, Wisma Naim, 2½ Mile, Rock Road
93200 Kuching, Sarawak, Malaysia
Tel: +6 082 411 667 Fax: +6 082 429 869

Registrar

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A Vertical Business Suite
Avenue 3, Bangsar South No. 8, Jalan Kerinchi 59200
Kuala Lumpur, Malaysia
Tel: +6 03 2783 9299 Fax: +6 03 278 39222

Stock Exchange Listing

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

Auditor

KPMG PLT

Naim Head Office, 2½ Mile
Rock Road, Kuching, Sarawak



Corporate Structure (as at date of Annual Report)

BUILDING VALUE IN EVERY WAY



NAIM HOLDINGS BERHAD

REGISTRATION NO. 200201017804 (585467 - M)

OIL & GAS

- **Dayang Enterprise Holdings Bhd.**
200501030106 (712243-U)*
- **Perdana Petroleum Berhad**
199501042909 (372113-A)*

ENGINEERING / CONSTRUCTION

- **Naim Engineering Sdn. Bhd.**
199701004707 (420203-W)
- **Naim Capital Sdn. Bhd.**
199501030360 (359566-U)
- **Naim Capital Port Sdn. Bhd.**
201201018905 (98900-T)
- **Naim Capital Housing Sdn. Bhd.**
201201015373 (988890-K)
- **NAIM GAMUDA (NAGA) JV Sdn. Bhd.**
201601024286 (1195225-X)
- **GAMUDA NAIM ENGINEERING AND CONSTRUCTION (GNEC) Sdn. Bhd.**
201601023739 (1194678-D)*
- **Kempas Sentosa Sdn. Bhd.**
199301007338 (262075-U)*

OTHER BUSINESSES

TRADING / SERVICES

- **Naim Supply & Logistic Sdn. Bhd.**
199501032222 (361428-K)
- **Naim Human Capital Sdn. Bhd.**
201401031921 (1108005-W)

QUARRY OPERATIONS

- **Simbol Warisan Sdn. Bhd.**
200601030446 (750204-D)
- **Jelas Kemuncak Resources Sdn. Bhd.**
200601026936 (746691-M)
- **Naim Cendera Lapan Sdn. Bhd.**
200001014105 (516711-V)

PROPERTY

- **Naim Land Sdn. Bhd.**
199301006476 (261213-T)

PROPERTY DEVELOPMENT

- **Khidmat Mantap Sdn. Bhd.**
200001004847 (507452-T)
- **Desa Ilmu Sdn. Bhd.**
199601041500 (413853-U)
- **Naim Commercial Sdn. Bhd.**
199501030503 (359709-W)
- **Peranan Makmur Sdn. Bhd.**
200601030374 (750132-X)
- **Samalaju Properties Sdn. Bhd.**
200601032936 (752695-D)*

PROPERTY INVESTMENT AND MANAGEMENT

- **Yakin Pelita Sdn. Bhd.**
199901009501 (484401-H)
- **Naim Realty Sdn. Bhd.**
199501030756 (359962-P)
- **Naim Assets Sdn. Bhd.**
200101024882 (560640-X)
- **Harmony Faber Sdn. Bhd.**
201201023318 (1007810-K)
- **Naim Hotel Sdn. Bhd.**
201401044371 (1120553-M)
- **Petrochemical Hub Sdn. Bhd.**
200001014100 (516706-K)
- **Naim Property Services Sdn. Bhd.**
201301009801 (1039643-U)
- **Miri Specialist Hospital Sdn. Bhd.**
201001032447 (916372-H)*

TWENTY FIVE OTHER SEMI-ACTIVE AND DORMANT COMPANIES

* Associates

Directors' Profiles

Datuk Amar Abdul Hamed Bin Haji Sepawi

Chairman

Aged 70, Male, Malaysian

Date of Appointment
25 July 2003

Academic/Professional Qualification(s)

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

Board Committees

- Chairman, Nominating Committee
- Member, Risk Management Committee

Present Directorship in other Public Listed Companies

- Ta Ann Holdings Berhad
- Sarawak Plantation Berhad

Present Directorship in Non-Listed Public Company

- Sarawak Energy Berhad

Working Experience and Occupation

Prior to the Naim Group's listing, he was Non-Executive Chairman of Naim Land Sdn. Bhd. since 12 October 1995. Whilst remaining active in the timber and plantation industries, Datuk Amar Abdul Hamed developed his career around his keen personal interest in the construction sector, which was first acquired through school vacation jobs in Miri. For more than 40 years, he has been active as an investor, manager and director in companies carrying out civil works, offshore engineering, construction, housing and property development.

He was conferred the coveted Sarawak State Outstanding Entrepreneurship Award 2014 by the Ministry of Industrial Development, in association with the Sarawak Chamber of Commerce and Industries (SCCI) and Ernst & Young in recognition of his contribution towards the State's economic development. In 2015, he was adjudged The BrandLaureate's prestigious 'Man of the Year' Brand ICON Leadership Award 2015, an internationally recognised award honouring great iconic brand leaders who have transformed their brands into powerful brands which sustain the test of time.

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





Directors' Profiles (continued)

Datuk Hasmi Bin Hasnan

Managing Director

Aged 67, Male, Malaysian

Date of Appointment

25 July 2003

Academic/Professional Qualification(s)

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

Board Committee

- Member, Remuneration Committee

Present Directorship in other Public Listed Companies

- Dayang Enterprise Holdings Bhd
- Perdana Petroleum Berhad

Present Directorship in Non-Listed Public Companies

- Naim Incorporated Berhad
- Kebajikan Dayang Fatimah Berhad (non-profit company, limited by guarantee)

Working Experience and Occupation

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





Wong Ping Eng

Deputy Managing Director

Aged 46, Female, Malaysian

Date of Appointment

29 November 2012

Academic/Professional Qualification(s)

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

Present Directorship in other Public Listed Company

- Dayang Enterprise Holdings Bhd.

Present Directorship in Non-Listed Public Company

- Naim Incorporated Berhad

Working Experience and Occupation

She has more than 20 years' experience in financial and accounting field. She started her career as an Audit Assistant at KPMG Kuching in September 1997 until December 2000. In 2004, she moved to Naim as an Accountant. In July 2004-2008, she was appointed as the Operations Manager for Naim's Bandar Baru Permyjaya project in Miri where she was responsible for managing the whole of Miri's operations. In July 2008, she was promoted as the Vice President – Finance and Accounts to oversee the Group's Finance and Accounts Division and subsequently promoted as the Deputy Director, Finance and IT Division. In August 2012, she was promoted to a Senior Director for the Group's Support Division comprising Finance and Accounts, Administration, Human Resource and Information Technology. She was appointed as an Executive Director of Naim Holdings Berhad on 29 November 2012 and on 9 January 2013 she was re-designated as the Deputy Managing Director.

Directors' Profiles (continued)

Dato Ir. Abang Jemat Bin Abang Bujang

Independent Non-Executive Director

Aged 66, Male, Malaysian

Date of Appointment

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

Academic/Professional Qualification(s)

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

Board Committees

- Chairman, Remuneration Committee
- Member, Audit Committee

Working Experience and Occupation

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





Datin Mary Sa'diah Binti Zainuddin

Independent Non-Executive Director

Aged 63, Female, Malaysian

Date of Appointment

27 February 2013

Academic/Professional Qualification(s)

- Bachelor of Social Science (Hons), Universiti Sains Malaysia

Board Committees

- Chairman, Risk Management Committee
- Member, Nominating Committee
- Member, Remuneration Committee

Present Directorship in other Public Listed Company

- KKB Engineering Berhad

Working Experience and Occupation

She has more than 30 years of experience in the oil and gas industry and was the General Manager, Petronas Sarawak Regional Office Kuching since 2009 till her retirement on 31 December 2012. Her 30 years' of wide experience in Petronas includes management, public relations, administration, marketing, procurement and corporate affairs. She is also the President of Hockey Association of Sarawak, Vice President of Malaysia Hockey Confederation and a member of the Kuching North City Commission.