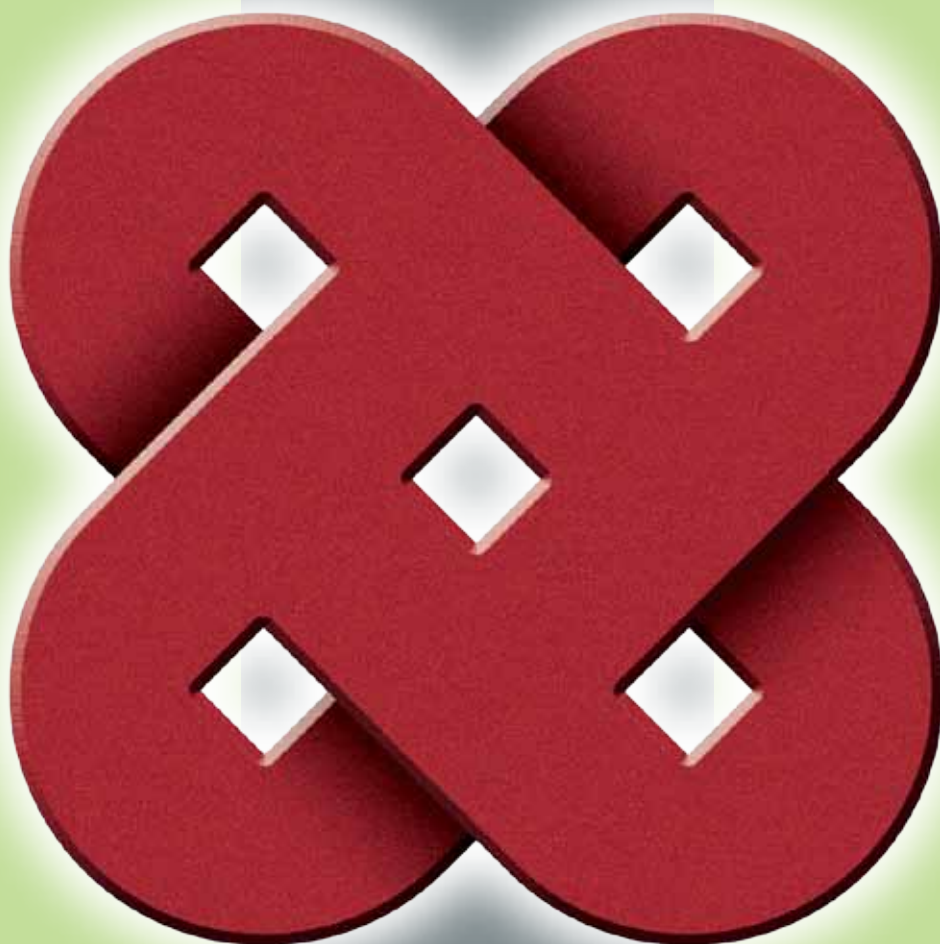


ANNUAL
REPORT
2014



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CORPORATE PROFILE



NAIM INDAH CORPORATION BERHAD (Company No. 19727-P)
NICORP Stock Code: 4464

is predominantly engaged in the business of investment holdings, the provision-of management and administrative services to its subsidiaries. It is listed on the Main Market of Bursa Malaysia Securities Berhad.



CHAIRMAN'S STATEMENT

**Dato' Abdel Aziz @
Abdul Aziz Bin Abu Bakar**
Executive Chairman

DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present to you the 2014 Annual Report together with Audited Financial Statements for the financial year ended 31 December 2014.

Financial Review

It has been a challenging year for the Group in 2014 as the Group reported a consolidated revenue of RM4.69 million as compared to RM7.329 million in previous correspondence year. This represents a 36% decrease in revenue following complete shutdown of our Gateway Seremban Mall for renovation and upgrading exercise in the month of August 2014. The Seremban Mall is expected to re-open in October 2015.

The Group will be able to generate higher revenue and better tenants mix, which will improve the Group's cash flow and subsequently improve its financial position. For the financial year ended 31 December 2014, the Group reported losses before tax of RM12.556 million compared to RM4.153 million in the previous year. The higher losses were due to impairment of a trade receivables amounting to RM6.969 million from the timber logging activities.

Market Outlook and Prospects

The construction sector grew by 8.7% in the fourth quarter (3Q 2014: 9.6%), underpinned by the non-residential and residential sub-sectors. The growth in the non-residential sub-sector was stronger amid higher construction activity for industrial and commercial buildings while the residential sub-sector was supported by activity of residential properties in the mass-market and affordable housing segments.

Market movements across the board were mixed, three sub-sectors made a comeback, namely commercial, development land and industrial sub-sectors, showing positive growth of 23.4%, 17.2% and 0.7% respectively, after experiencing contractions in H1 2013. This will augur well for the Group as we are focusing in the development of commercial properties.

I would like to take this opportunity to thank the Board for entrusting me the responsible of leading the management from hereon.

Appreciation

In conclusion, I would like to thank our customers, financiers, investors, shareholders, suppliers, contractors as well as my fellow Directors for the continuous support and dedication to the Company.



MANAGING DIRECTOR / GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

Dato' Siaw Swee Hin
*Managing Director /
Group Chief Executive Officer*

The overall review of financial year 2014 saw the Company experiencing a challenging business environment in the markets in which we operate. The management has taken proactive steps by diversifying into several businesses with the objective of taking the Group into brighter future.

Significant Events and Prospects

On 2 April 2015, the Company had made an announcement on the following proposals and Extraordinary General Meeting convened on 17 April 2015:

Proposed Award

Company had received Letter of Award from Lagenda Erajuta Sdn Bhd for the role of Project Management Consultant ("PMC") for Gateway Klang Project. The Proposed Award presents an opportunity for the Company to venture into project management business located in Klang Valley and in proximity to many commercial amenities. The Proposed Award is expected to provide the Group with additional source of income for the next three (3) years and the income generated from the PMC is in turn expected to contribute positively to the future earnings of the Group.

Proposed Diversification

The Group intend to diversify into construction, property investment, project management and renewable energy which is part of the Group's long term strategy of diversifying into other industries with strong growth prospects instead of depending solely on its existing business which focus on timber logging where revenue has been declining.

The Board is of the opinion that diversification into other industries will provide stable earnings for the Group in the future while banking on the vast experiences the Directors and management have in the abovementioned industries.

The Board believes that the Proposed Diversification would contribute positively to its future earnings and improve the financial position of the Group. The additional revenue contribution from construction, property investment and project management and renewable energy activities will provide the Group with additional streams of earnings which is expected to enhance the Group's profitability and returns on shareholders' fund.

Proposed Share Issuance Scheme

The Proposed Share Issuance Scheme is intended to achieve the following objectives:

- i. To recognize and reward the contributions and services of the Eligible Person that are considered vital to the operation and continued growth of the NICORP Group;
- ii. To align the interests of the Eligible Person through the Proposed Share Issuance Scheme to focus on long-term financial performance and the shareholders' value enhancement via equity participation;
- iii. To create a sense of belonging and ownership amongst the Eligible Person as they will be able to participate directly in the future growth of the Group;
- iv. To serve as an alternative form of employee remuneration which does not result in cash outflow for the Group but instead allows for fund-raising upon exercise of the Share Issuance Scheme Options by the Eligible Person; and
- v. To attract and retain high caliber Eligible Person, hence ensuring that the loss of key personnel is kept to a minimum level.

In conclusion, I would like to take this opportunity to thank the Board for entrusting me the responsible of leading the management from hereon.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar
Executive Chairman

Dato' Siaw Swee Hin
*Managing Director /
Group Chief Executive Officer*

Hud Bin Abu Bakar
Executive Director

Cheang Soon Siang
Executive Director

Chua Eng Chin
*Non-Executive Director
Independent Director*

Md. Noor Bin Abd. Rahim
*Non-Executive Director
Independent Director*

George Alfonso Miranda
*Non-Executive Director
Non-Independent Director*

AUDIT COMMITTEE

Chua Eng Chin
*Chairman
Non-Executive Director
Independent Director*

George Alfonso Miranda
*Non-Executive Director
Non-Independent Director*

Md. Noor Bin Abd. Rahim
*Non-Executive Director
Independent Director*

NOMINATION COMMITTEE

Chua Eng Chin
*Chairman
Non-Executive Director
Independent Director*

George Alfonso Miranda
*Non-Executive Director
Non-Independent Director*

Md. Noor Bin Abd. Rahim
*Non-Executive Director
Independent Director*

REMUNERATION COMMITTEE

George Alfonso Miranda
*Chairman
Non-Executive Director
Non-Independent Director*

Chua Eng Chin
*Non-Executive Director
Independent Director*

Md. Noor Bin Abd. Rahim
*Non-Executive Director
Independent Director*

Stock Exchange Listing

Main Market Of Bursa Malaysia
Securities Berhad
Stock Code : 4464

Registered Office

Level 18, The Gardens North Tower,
Mid Valley City,
Lingkaran Syed Putra,
59200 Kuala Lumpur.
Tel : (603) 2264 8888
Fax : (603) 2282 2733

Auditors

Messrs. Crowe Horwath (AF1018)
Chartered Accountants
Level 16, Tower C, Megan Avenue II,
No. 12, Jalan Yap Kwan Seng,
50450 Kuala Lumpur.

COMPANY SECRETARIES

Tham Wai Ying
(MAICSA No. 7016123)
Ng Bee Lian
(MAICSA No. 7041392)

SHARE REGISTRAR

Tricor Investor Services
Sdn Bhd (118401-V)
Level 17, The Gardens North Tower,
Mid Valley City,
Lingkaran Syed Putra,
59200 Kuala Lumpur.
Tel : (603) 2264 3883
Fax : (603) 2282 1886

PRINCIPAL SOLICITORS

David Lai & Tan
Cheang & Ariff

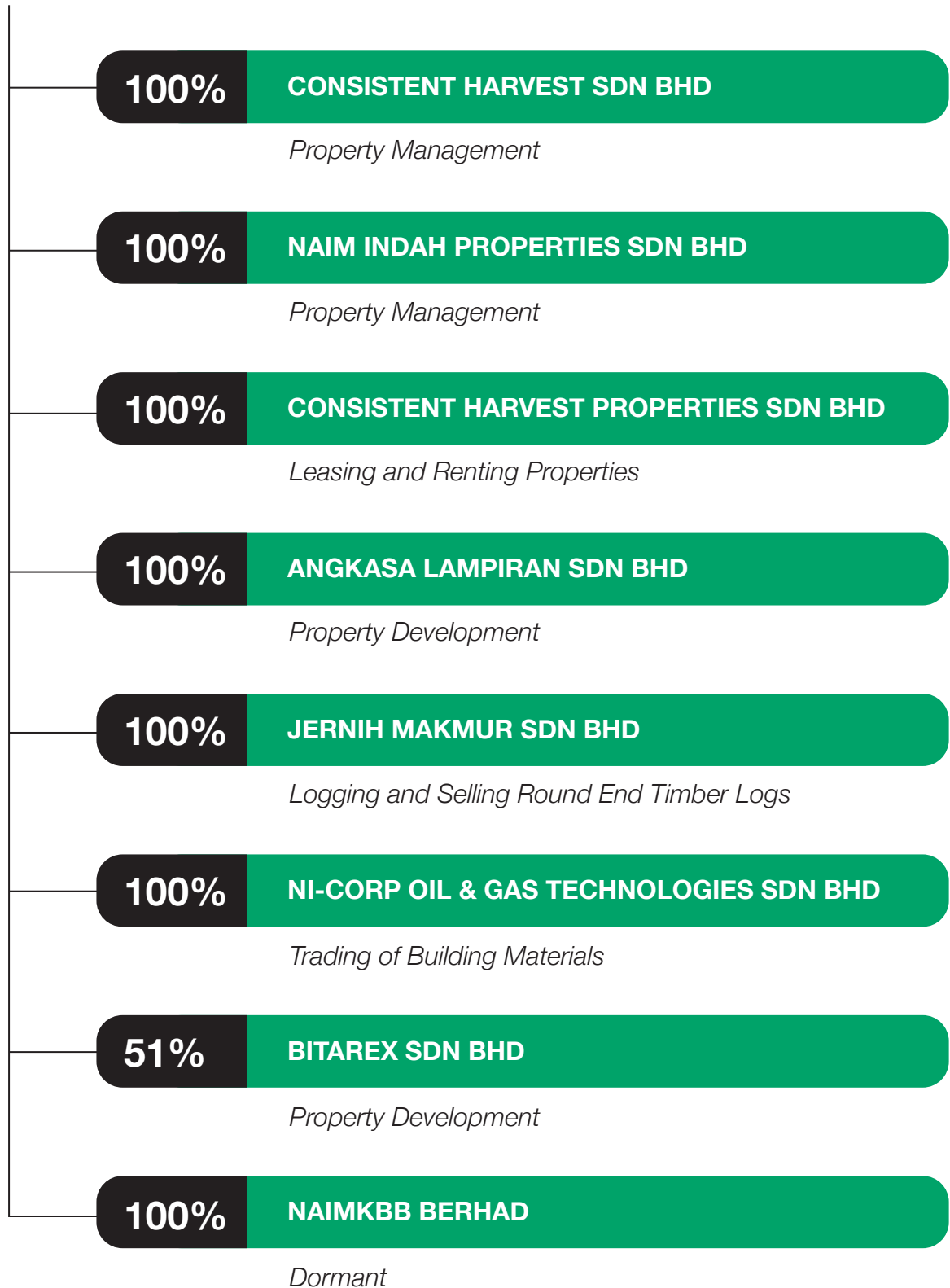
PRINCIPAL PLACE OF BUSINESS

Level 8, Tower 7, Avenue 5,
The Horizon Bangsar South,
No 8, Jalan Kerinchi,
59200 Kuala Lumpur.
Tel : (603) 2242 3514
(603) 2242 2904
(603) 2242 3995
Fax : (603) 2242 4317
Website : www.naimindah.com

PRINCIPAL BANKERS

Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
RHB Bank Berhad

CORPORATE STRUCTURE



BOARD OF DIRECTORS



Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar ("Dato' Abdel Aziz"), a Malaysian aged 61, was appointed as Executive Chairman of the Company on 7 October 2014. He is currently serves on the Board of Airasia Berhad as a Non-Independent Non-Executive Director. He is also a Trustee of Yayasan Astro Kasih which is the ultimate holding company of Astro Malaysia Holdings Berhad.

Dato' Abdel Aziz holds a Diploma in Agriculture Business from Universiti Pertanian Malaysia in 1975, BSc in Agriculture Business from Louisiana State University, United States of America in 1978, and an MBA from the University of Dallas, United States of America in 1980.

Previously, he had served as a Director of Airasia Berhad from 12 December 2001 to 11 October 2004 and then act as an Alternate Director to Dato' Pahamin Ab. Rajab from 11 October 2004. Subsequently, he was appointed as a Non-Executive Director of Airasia Berhad on 20 April 2005. On 16 June 2008, he was re-designated as a Non-Executive Chairman and subsequently on 6 November 2013 as a Non-Independent Non-Executive Director.

Dato' Abdel Aziz is currently the Executive Chairman of VDSL Technology Sdn Bhd and he also served as the Chairman of Performance and Artistes Rights Malaysia Sdn Bhd (PRISM), a collection society for performers of recorded music, and the Academy of Malaysian Music Industry Association (PAIMM) for more than 10 years until end of 2012 and January 2011, respectively.

From 1981 to 1983 he was the Executive Director of Showmasters (M) Sdn Bhd, an artiste management and concert promotion company. He subsequently joined BMG Music and was a General Manager from 1989 to 1997 and Managing Director from 1997 to 1999. Based on his vast experience and knowledge in growing companies, he shall provide his management expertise and skills in assisting the Group in the development and strategies in moving the Group to a higher level.

Dato' Abdel Aziz is the brother of En. Hud Bin Abu Bakar, an Executive Director of the Company. He does not have any family relationship with any major shareholder of the Company, had no conflict of interests with the Company and had not committed any offences within the past 10 years.

As at the date of this Annual Report, Dato' Abdel Aziz is holding 9,434,000 ordinary shares of RM0.10 each in the Company.

Dato' Abdel Aziz attended one Board meeting of the Company held during the financial year ended 31 December 2014 after his appointment on 7 October 2014.

**DATO' ABDEL AZIZ @
ABDUL AZIZ BIN ABU BAKAR**
Executive Chairman,
Non-Independent Director

BOARD OF DIRECTORS



Dato' Siaw Swee Hin ("Dato' Siaw"), a Malaysian aged 42, was appointed as an Executive Director of the Company on 22 October 2012. Subsequently he was re-designated to Managing Director on 18 November 2014. On 26 November 2014, he was re-designated to Managing Director/Group Chief Executive Officer. Dato' Siaw holds a Master Degree Business Management and Master Degree Business Administration in International Business, from University of Hertfordshire, United Kingdom.

His career started as a marketing executive in the industry of solvent & lubricant oil in Singapore in 1997. He went on to form his own company involved in manufacturing of epoxy thinner, solvent and lubricant oil in Malaysia in 2001. He was involved in construction and property development since 2006 and successfully completed several projects which include Creative City, Kulai Jaya, Johor. Currently he is also the Managing Director of JB Barrels & Drums Industries Sdn. Bhd., JB Oil & Chemicals Industries Sdn. Bhd. and Alltrust International Berhad. He also has directorship in Alltrust Capital Sdn Bhd.

Dato' Siaw is a substantial shareholder of Naim Indah Corporation Berhad through his holdings in Quantum Discovery Sdn Bhd pursuant to section 6A of the Companies Act 1965 and he is a major shareholder in the Company. As at the date of this Annual Report, Dato' Siaw has direct shareholdings of 39,172,600 ordinary shares of RM0.10 each and indirect shareholding of 67,847,976 ordinary shares of RM0.10 each in the Company.

Dato' Siaw does not have any family relationship with any other Director. However, Mr Siaw Swee Woon, the substantial shareholder of the Company, is the brother of Dato' Siaw. Dato' Siaw had no convictions for offences within the past 10 years.

Dato' Siaw has an effective 2.00% shareholding in Lagenda Erajuta Sdn. Bhd. ("Lagenda") through Titan Formation Sdn. Bhd. Lagenda has awarded project for the role of Project Management Consultant for the mixed commercial development consisting amongst other, shop offices, hotel towers and office suite, a mall and related external works at Lot 6879-6890 and 10293-10304, Mukim Klang, Daerah Klang, Selangor Darul Ehsan ("Proposed Award") and the Proposed Award has been approved by the shareholders at the Extraordinary General Meeting held on 17 April 2015.

Dato' Siaw attended all Board meetings of the Company held during the financial year ended 31 December 2014.

DATO' SIAW SWEE HIN
Managing Director /
Group Chief Executive Officer

BOARD OF DIRECTORS



Ar Hud Bin Abu Bakar (“Ar Hud”), a Malaysian aged 52, was appointed as an Executive Director of the Company on 26 November 2014. He graduated from UC Berkeley with Master of Architecture in 1988. He started his career in San Francisco Bay Area before coming back to Malaysia in 1989.

Ar Hud is a member of Pertubuhan Akitek Malaysia (PAM) and Malaysia Society of Interior Designers (MSID). He has served in the PAM council and had given several talks in UiTM, UIA, FIABCI, Datum Architectural seminar and PAM seminars/functions. His works has been profiled in many publications such as Habitus, The Star, The Edge, Tettler, Trend, Architecture Malaysia, Thailand’s Art4D and an Indonesian Architecture publication.

Ar Hud has over 25 years of experience in designing small and large scale projects. Famed for his contemporary cleanlined architecture, his works varies from residential, commercial, large scale exhibition spaces to super high rise. He has won many architectural competitions and has been distinguished with awards such as FIABCI, BCI, PAM, The Edge, and Asia Pacific Architectural awards.

His firm, RSP Architects Malaysia, currently employs more than 180 professionals and is one of the leading architectural practices in the country. RSP is associated with other offices in Singapore, Dubai, India, China and London. Providing multidisciplinary practices, RSP Group employs more than 1,000 staff.

Ar Hud holds 9,434,000 ordinary shares of RM0.10 each in the Company as at the date of this Annual Report. He is the brother of Dato’ Abdel Aziz @ Abdul Aziz Bin Abu Bakar, the Executive Chairman of the Company. However, he does not have any family relationship with any major shareholder of the Company and has no conflict of interests with the Company. Ar Hud had not committed any offences within the past 10 years.

Ar Hud did not attend any Board meetings of the Company held during the financial year ended 31 December 2014 as he was appointed on 26 November 2014.

HUD BIN ABU BAKAR
Executive Director,
Non-Independent Director

BOARD OF DIRECTORS



CHEANG SOON SIANG
Executive Director,
Non-Independent Director

Mr Cheang Soon Siang (“Mr Cheang”), a Malaysian aged 47, was appointed as an Executive Director of the Company on 11 April 2014. Mr Cheang is a member of Chartered Secretaries Malaysia (MAICSA) and International Association of Registered Financial Consultants (IARFC), USA. He is also a registered trainer under Pembangunan Sumber Manusia Berhad.

Mr Cheang has more than 20 years of experience in the banking and financial services industry. He was attached to several Financial Institutions such as Southern Bank Bhd, Orix Leasing Bhd, Oriental Bank Bhd and EON Bank Bhd. He has vast experience in handling credit matters involving credit evaluation, cash flow management, working capital management, restructuring and recovery of credit facilities for corporate, commercial and consumer customers.

He left banking industry in 2007 to set up his own company known as New Century Advisory Services Sdn Bhd which involved in financial advisory services, risk management, investment, estate planning and corporate finance. He had conducted workshops to several real estate companies and SME organization. He also acts as a Financial Advisor to several public listed companies and private companies. He was a Unit Manager of AIA Berhad for more than 5 years and also an Estate Planner Manager with OSK Trustees Berhad.

Mr Cheang holds 270,000 ordinary shares of RM0.10 each in the Company. He does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interests with the Company. He had no convictions for offences within the past 10 years.

Mr Cheang attended all Board meetings of the Company held during the financial year ended 31 December 2014 after his appointment.

BOARD OF DIRECTORS



En Md. Noor Bin Abd. Rahim (“En Md. Noor”), a Malaysian aged 59, is an Independent Non-Executive Director of Naim Indah Corporation Berhad and was appointed to the Board on 8 March 2012. He is also a member of the Audit Committee, Nomination Committee and Remuneration Committee.

He graduated with a Bachelor of Economics (Hons) majoring in Accounting from University of Malaya in 1978, a Diploma in Public Administration from INTAN and obtained his Masters of Administration from Monash University of Austria in 1985. Amongst other, he is presently the Affiliate Principal Partner with DWA Advisory Sdn Bhd. He has had vast and extensive working experience of more than 30 years overall in providing advice on all corporate finance matters, including providing independent advice on takeovers and mergers, corporate restructuring, capital raising, listing exercises and writing of proposals by public companies.

He started his career as a Trainee Officer in UMBC Bhd in 1978 and went on to be an Administrative and Diplomatic Service Officer from 1979 through 1993. From 1979 to 1984, he was an Assistant Secretary in the Investment Division of the Ministry of Finance. He was the Principal Assistant Secretary of the Capital Issues Committee of the Finance Division in the Ministry of Finance from 1984 to 1993, of which his duties includes reviewing and processing of corporate proposals, restructuring of public companies and stock broking companies for fund raising and listing exercises.

Previously, he was also the Deputy General Manager and Head of the Takeover and Mergers Department of the Securities Commission for the period from March 1993 until November 2011. He was a Member of the Technical Committee for Tax Incentive for Foreign Assets Acquisition chaired by MIDA from the year 2004 to 2010. He also sits on the Board of Stone Master Corporation Berhad.

En. Md. Noor does not hold any shares in the Company or its subsidiaries and does not have any family relationship with any other Director and/or major shareholder of the Company. He has no conflict of interests with the Company and had no convictions for offences within the past 10 years.

En. Md. Noor attended all Board meetings of the Company held during the financial year ended 31 December 2014.

MD. NOOR BIN ABD. RAHIM
Non-Executive Director,
Independent Director

BOARD OF DIRECTORS



CHUA ENG CHIN
Non-Executive Director,
Independent Director

Mr Chua Eng Chin (“Mr Chua”), a Malaysian aged 56, is an Independent Non-Executive Director of Naim Indah Corporation Berhad and was appointed to the Board on 26 September 2013. He is the Chairman of the Audit Committee and Nomination Committee and also a member of Remuneration Committee.

He is a Fellow of The Association of Chartered Accountants (ACCA) and also a member of Malaysian Institute of Accountants (MIA).

After qualified as Chartered Accountant in 1984, he started his career in an accounting firm where he specializes in auditing and consultancy works. He had served in the internal audit department of Public Companies such as the Lion Group and the Berjaya Group. He also served as Senior Accountant in Berjaya Textiles Berhad and Senior Manager in Malpac Holdings Berhad. Mr. Chua is currently a Commissioned Dealer Representative with PM Securities Sdn Bhd and an Independent Non-Executive Director in Tiger Synergy Berhad and Harvest Court Industries Berhad.

Mr Chua has indirect shareholding in the Company for 250,000 shares, held by his spouse. He has no family relation with any other Director and/or major shareholder of the Company and has no conflict of interests with the Company. He had no convictions for offences within the past 10 years.

Mr Chua attended 3 out of 4 Board meetings of the Company held during the financial year ended 31 December 2014.

BOARD OF DIRECTORS



Mr. George Alfonso Miranda (“Mr Miranda”), a Malaysian aged 46, is a Non-Independent Non-Executive Director of Naim Indah Corporation Berhad and was appointed to the Board on 11 December 2014. He is the Chairman of the Remuneration Committee and he is also a member of Audit Committee and Nomination Committee. He has more than 20 years’ experience as a practicing lawyer at partner level.

Mr Miranda graduated with a LL.M (University of London) and an LL.B (University of London). He is an Advocate and Solicitor of the High Court of Malaya and a Member of the Law Society of England and Wales. He was a President of the Malaysian Mergers and Acquisitions Association from 2006 to 2012.

Mr Miranda is currently a partner of Miranda & Samuel. George specialises in advising entrepreneurs, public and private companies on takeovers, mergers and acquisitions, divestitures, IPOs, a full range of intellectual property matters, and helps to create and execute aggressive strategies to increase shareholder value. He advises on both contentious and non-contentious matters.

Mr Miranda does not hold any shares in the Company or its subsidiaries and does not have any family relationship with any other Director and/or major shareholder of the Company and has no conflict of interests with the Company. He had not committed any offences within the past 10 years.

Mr Miranda did not attend any Board meetings of the Company held during the financial year ended 31 December 2014 as he was appointed on 11 December 2014.

GEORGE ALFONSO MIRANDA

Non-Executive Director,
Non-Independent Director



FORWARD

Fully committed to creating superior
long-term value for all our shareholders

NAIM INDAH CORPORATION BERHAD (19727-P)

Level 8, Tower 7, Avenue 5, The Horizon Bangsar South,
No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia
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