



**BERJAYA**  
**BERJAYA ASSETS BERHAD**  
(Company No. 3907-W)



**ANNUAL REPORT 2014**



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## PROFILE OF DIRECTORS



### DATUK LYE EK SEANG

49 years of age, Malaysian  
Executive Director

He was appointed to the Board as Independent Non-Executive Director on 19 April 2012. On 8 January 2013, he was appointed as an Executive Director of the Company.

He is the founding member of Sunzi Association of Malaysia. He holds a Bachelor of Science (Hons) degree in Mathematics from the University of Malaya. While in University of Malaya, he was "The Sportman of the Year" in 1998, founder and instructor of Persatuan Taekwando (WTF) University of Malaya. He joined the Rejimen Askar Wataniah (Reserved Officer Training Unit-ROTU) and was commissioned as Second Lieutenant by Duli Yang Maha Mulia Seri Paduka Baginda Yang Dipertuan Agong on 15 June 1989.

He was a Non-Independent Non-Executive Director and Audit Committee Member of Magna Prima Berhad from 16 July 2007 to 24 June 2009. He was also a Non-Independent Non-Executive Director of Ho Hup Construction Company Berhad from August 2008 and re-designated as Deputy Executive Chairman from December 2008 until March 2010.

Currently, he is an Executive Director of Berjaya Times Square Sdn Bhd and a Director of Cardiff City Football Club. He is also a Trustee of Tropicana Foundation and sits on the Board of several other private limited companies involved in manufacturing, television program production and distribution, biotechnology and property development.



### CHAN KIEN SING

58 years of age, Malaysian  
Non-Independent Non-Executive Director

He was appointed to the Board on 9 April 2001. He is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Having articulated with Messrs Peat Marwick Mitchell (now known as KPMG) from 1975 to 1981, he subsequently joined Arab-Malaysian Merchant Bank Berhad (now known as AmlInvestment Bank Berhad) specialising in corporate finance until 1989 when he joined Berjaya Group Berhad.

Currently, he is an Executive Director of Berjaya Corporation Berhad, Berjaya Sports Toto Berhad, 7-Eleven Malaysia Holdings Berhad (formerly known as Seven Convenience Berhad) and Berjaya Media Berhad. He is the Managing Director of Sun Media Corporation Sdn Bhd and also a Director of Berjaya Times Square Sdn Bhd, Berjaya Group Berhad, Berjaya Capital Berhad, Intan Utilities Berhad, Berjaya Vacation Club Berhad, Berjaya Retail Berhad and International Lottery & Totalizator Systems Inc, United States of America. He also holds directorships in several other private limited companies.

He is a member of the Audit and Risk Management Committee.

## PROFILE OF DIRECTORS



### LIM MENG KWONG

61 years of age, Malaysian  
Non-Independent Non-Executive Director

He was appointed to the Board on 7 May 2003. He is a member of Malaysian Institute of Accountants and holds a Master's degree in Business Administration from the Cranfield Institute of Management, United Kingdom.

Currently, he is the Special Projects Director and was previously the head of the Group Investment Division of Berjaya Corporation Berhad holding the position as Senior General Manager. Prior to joining Berjaya Corporation Berhad, he was working in the Corporate Finance Division in a leading local merchant bank and has various financial and audit experience both in Malaysia and the United Kingdom.

He is the President of Berjaya Philippines Inc. and a Director of Tien Wah Press Holdings Berhad. He also holds directorships in various subsidiaries of Berjaya Assets Berhad and Berjaya Corporation Berhad.



### DATUK ROBERT YONG KUEN LOKE

62 years of age, Malaysian  
Independent Non-Executive Director

He was appointed to the Board on 9 April 2001. He is a Fellow member of The Institute of Chartered Accountants in England and Wales and a member of The Institute of Singapore Chartered Accountants and the Malaysian Institute of Accountants. He is also a Council Member of Malaysian Institute of Certified Public Accountants and presently serves as a member of its Executive Committee. He has many years of working experience in the fields of accounting, audit, treasury and financial management. He started his career in London in 1973 and worked for more than five years with chartered accounting firms. Subsequently, he was with Price Waterhouse, Singapore from 1979 to 1982. From 1983 to 1986, he served as Group Finance Manager in UMW Holdings Berhad and Group Treasurer in Edaran Otomobil Nasional Bhd. He joined Berjaya Group of Companies in 1987 until his retirement as Executive Director on 30 November 2007 and is currently an Independent Non-Executive Director of the Company.

He is also a Director of Berjaya Corporation Berhad, Berjaya Land Berhad and Berjaya Sports Toto Berhad.

## PROFILE OF DIRECTORS



### **DATO' DICKSON TAN YONG LOONG**

33 years of age, Malaysian  
Non-Independent Non-Executive Director

He was appointed to the Board of the Company on 19 April 2012. He graduated with a Bachelor of Science (Honours) Degree in Business Management from King's College, University of London, United Kingdom in 2002. He obtained a Master of Science in Internal Auditing and Management from Cass Business School, City University, United Kingdom in 2003.

He started his career with CIMB Securities Sdn Bhd as an Equities Analyst in 2004 and joined Dijaya Corporation Berhad (now known as Tropicana Corporation Berhad) as Business Development Manager in 2005. He is presently the Deputy Group Chief Executive Officer of Tropicana Corporation Berhad ("Tropicana") and he is currently overseeing group corporate strategy, marketing, planning and risk management of the Tropicana group of companies. He is also a Director of several other local and international private limited companies involved in manufacturing, services, media, leisure, retail, property development and property investment.

He also holds directorships in Berjaya Corporation Berhad, Berjaya Land Berhad, Berjaya Sports Toto Berhad and Tropicana Golf & Country Resort Berhad.

He is affiliated with certain non-profit organisations, including as a trustee of Tropicana Foundation, a member of the Kuala Lumpur Business Club and a member of the Malaysian Institute of Management.

His uncle, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company.



### **HENG KIAH CHOONG**

65 years of age, Malaysian  
Independent Non-Executive Director

He was appointed to the Board on 27 February 2001. He started his sports-related business upon completion of his secondary education in 1966. Currently, he is the Managing Director of Sai (M) Sdn Bhd, overseeing the overall management of the graphic design and Sports Event Management departments. He has extensive interest in sports-related business and activities. He is currently the Senior Vice-President of the Malaysian Tenpin Bowling Congress, Deputy President of Kuala Lumpur Tenpin Bowling Congress and Marketing Committee of Olympic Council of Malaysia, Board Member of Tun Hussein Onn Eye Hospital, Council Member of Malaysia Blind Association and the Chairman of the Rehabilitation and Recreation for the Disabled, Selangor. His company is the marketing representative of the International Sepak Takraw Federation responsible in the marketing and promotion of sepak takraw and distribution of sepak takraw equipment.

He is the Chairman of the Audit and Risk Management Committee and a member of the Nomination Committee and the Remuneration Committee.

## PROFILE OF DIRECTORS



### **DATO' MOHD SALLEH BIN AHMAD**

72 years of age, Malaysian  
Independent Non-Executive Director

He was appointed to the Board on 28 March 2005. He graduated with a degree in Bachelor of Arts (Second Class Honours), University of Malaya. He began his career with the Ministry of Finance as Assistant Secretary in 1966. He was promoted to Principal Assistant Secretary in 1969 and was the Deputy Head of Division prior to his departure in 1988. Thereafter, he joined the Ministry of Defence and was the Director of Establishment and Services. He was appointed as the Chief Executive Officer of Koperasi Serbaguna Anak-Anak Selangor Berhad (KOSAS) in 1991 until January 2005. He also holds directorships in several private limited companies.

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

Save as disclosed, none of the Directors have:-

1. Family relationship with any Directors and/or major shareholders of the Company;
2. Conflict of interest with the Company; and
3. Conviction for offences within the past 10 years other than traffic offences.







## CHAIRMAN'S STATEMENT



BTS was the venue sponsor for Berjaya Founder's Day 2014.



World Dental Health Day 2013 which was officiated by Datin Seri Hajah Rosmah Mansor.

### FUTURE OUTLOOK

The Malaysian economy is expected to grow between 5.5% to 6.0% for the second half of 2014 with private sector activity as the key growth driver. However, the rising cost of living and the impending implementation of the Goods and Service Tax ("GST") in April 2015 is expected to affect consumer sentiments and spending.

In this challenging and uncertain scenario, the BTSSB group will continue with its strategy to organize and promote more events and activities to appeal to both new and regular shoppers and visitors. With its aggressive promotional activities and completion of its refurbishment exercise, BTSSB group is expected to maintain its occupancy rates and also ensure that its two malls remain as preferred shopping destinations in Kuala Lumpur and Johor Bahru.

The gaming business under NASB is expected to be resilient and maintain a steady growth. NASB will further enhance its customer service and increase its promotional and public relations activities to improve its customers' confidence in CASHSWEEP products.

### APPRECIATION

On behalf of the Board, I would like to express our thanks and sincere appreciation to our management, employees and agents for their dedication and commitment towards the Group's achievements in the financial year 2014. The Board would also like to extend its appreciation to our customers, business associates, financiers, shareholders, retailers and regulatory authorities for their unwavering support and co-operation.

I would also like to record my gratitude and appreciation to my fellow colleagues on the Board for their active participation and contribution to the Board and I look forward to their continuous support in the coming financial year 2015.

**YAM Tunku Dato' Seri Shahabuddin  
Bin Tunku Besar Burhanuddin**  
Chairman

16 October 2014



Several awards were presented to sales outlets, ticketing clerks and staff at the NASB Annual Appreciation Nite 2014.







## 主席 报告



NASB捐献RM46,000给2014年 CASHSWEEP年度慈善活动。



在2014年NASB年度感激之夜颁发数个奖项给销售分店, 售票书记和员工。

### 未来展望

在2014年的第二季度，马来西亚的经济预料将保持稳定的5.5%至6.0%成长率。除了生活成本增长之外，在2015年4月落实的消费税(“GST”)预料会影响消费人兴致和消费。

在这种具挑战性和不确定的情况下，BTSSB集团将延续其策略以举办和推动更多盛会和活动以吸引长期和新的购物者及访客。随着积极的促销活动和整修工程的完成，预料BTSSB集团将可维持它的出租率和确保它的两家购物中心继续是吉隆坡和新山的首选购物目的地。

NASB旗下的博彩业务预料将具弹力和继续稳健成长。NASB也将进一步提升其顾客服务和强化宣传和公共关系活动，以加强公众人士对CASHSWEEP产品的信心。

### 感谢

我谨代表董事部感谢和衷心感激我们的管理层，所有员工和代理们付出献身精神和承诺，使到本集团取得2014财政年度的成就。董事部也在此感谢本公司顾客，来往商家，融资机构，股东，零售商和监管当局的持续支持与合作。

对于诸位董事部成员，我衷心感谢他们的积极参与为董事部作出贡献，并希望在今后的2015财政年继续获得他们的支持。

**YAM Tunku Dato' Seri Shahabuddin  
Bin Tunku Besar Burhanuddin**  
主席

2014年10月16日

# CORPORATE STRUCTURE

## of main operating companies as at 1 October 2014

### BERJAYA ASSETS BERHAD

#### 80% BERJAYA TIMES SQUARE SDN BHD

- Berjaya Times Square, Kuala Lumpur
- Berjaya Times Square Theme Park

#### 100% BTS CAR PARK SDN BHD

- Car park operator in Berjaya Times Square, Kuala Lumpur

#### 100% BERJAYA WATERFRONT SDN BHD

- Operation of Berjaya Waterfront Hotel, Johor Bahru
- Operation of Berjaya Waterfront Complex, Johor Bahru
- Operation of Berjaya Waterfront Ferry Terminal, Johor Bahru

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#### 65% NATURAL AVENUE SDN BHD

- Number forecast operator in Sarawak

#### 100% SUBLIME CARTEL SDN BHD

- Provision of lottery consultancy and related services

++ Combined Interest







## MANAGEMENT DISCUSSION AND ANALYSIS

### GAMING

#### Revenue

For the financial year under review, Natural Avenue Sdn Bhd (“NASB”) recorded a marginal increase in revenue of RM239.8 million compared to RM236.9 million in the previous financial year, due to the increase of the average normal draw sales despite having fewer draws in the year under review.

#### Profit Before Tax

Profit before tax decreased marginally to RM25.7 million from RM25.8 million in the previous financial year due to a higher prize payout.

#### Profit After Tax

Profit after tax was lower at RM19.3 million as compared to RM20.2 million in the previous financial year due to higher tax provision resulting from lower capital allowance being claimed for the lottery computer systems.

#### Prospect

NASB expects to maintain a steady growth and aims to improve through better customer service, more active promotions and public relations activities.

# STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of Berjaya Assets Berhad (or “the Company”) acknowledges that good corporate governance is vital to uphold the business integrity and to sustain the performance and profitability of the Group’s business operation. The Board is committed in ensuring that the principles and recommendations as set out in the Malaysian Code of Corporate Governance 2012 (“the Code”) are observed and practised.

The following sections explain how the Group has applied the principles of the Code and the extent in which it has applied the principles and complied with the recommendations as set out in the Code throughout the financial year ended 30 June 2014.

## 1. ROLES AND RESPONSIBILITIES OF THE BOARD

The Board of Directors of the Company comprised of members with appropriate competencies, knowledge, skills and experience from diverse sectors and backgrounds who play an important role in the stewardship and direction of the operations of the Group.

The Board is responsible for the effective leadership and control of the Group and this includes, inter-alia, the following:

- a) reviewing, adopting and monitoring the implementation of a strategic business plan for the Group;
- b) overseeing the conduct of the Company’s business to evaluate whether the business is being properly managed;
- c) identifying principal risks to ensure the implementation of appropriate systems to manage these risks;
- d) maintaining shareholders and investors relations of the Company; and
- e) reviewing the adequacy and integrity of the Company’s internal control systems and management systems; including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board delegates the authority and responsibilities for managing the everyday affairs of the Group to the Executive Directors and through them and subject to their oversight, to other senior management. The Executive Directors lead the senior management team in making and implementing the day-to-day decisions on the business operations and management, managing resources and risks in pursuing the corporate objectives of the Group.

The Board has delegated certain responsibilities to the Board Committees that function within clearly defined terms of references. Currently, the Board Committees comprise the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee. The Board also periodically reviews the terms of reference of the Board Committees to ensure their relevance.

The ultimate responsibility for decision making in the company still lies with the Board as a whole.

### **Directors’ Code of Conduct/Ethics**

The Board has adopted a Code of Ethics for Directors (“Code of Ethics”). The Code of Ethics was formulated to enhance the standard of corporate governance and promote ethical conduct of the Directors. The Group has also put in place a Code of Conduct for its employees to ensure a high standard of ethical and professional conduct is upheld by all its employees in the performance of their duties and responsibilities.

### **Corporate Strategy to promote sustainability**

The Board recognises the importance of business sustainability and the impact of the Group’s business on the environmental, social and governance aspects is taken into consideration in conducting the Group’s business. The details of the sustainability efforts are set out in the Corporate Social Responsibility Statement of this Annual Report.

## STATEMENT ON CORPORATE GOVERNANCE

### Access to information and advice

All the Board members have full and timely access to all information concerning the Company and the Group for the purpose of discharging their duties. The agenda for the Board meetings, together with the Board papers which include reports on the Group's operations, finance, corporate development and proposals, are provided in sufficient time prior to Board meetings to enable the Directors to have an overview of matters to be discussed or reviewed at the meetings and to obtain further explanation or clarification, if any, to facilitate informed decision making. Senior management and/or advisers are invited to attend the Board meetings, where necessary, to provide explanation or additional information on the relevant agenda items tabled at the meetings. Tapping into the advancement of information technology, the Company has implemented the electronic delivery and supply of information for Board meetings.

The Board is supported by suitably qualified and competent company secretaries who are members of a professional body. The Directors have individual and independent access to the advice and services of the Company Secretary in ensuring the effective functioning of the Board. The Board may also seek advice from the senior management staff in the Group on issues under their respective purview. In addition, the Board may obtain independent professional advice, where necessary, both inside and outside the Company, at the Company's expense on specific issues to enable the Board to discharge its duties in relation to matters being deliberated.

### Board Charter

The Board has formally adopted a Board Charter which sets out the roles, duties and responsibilities as well as the composition and processes to enable all Board members, acting on behalf of the Company, to be aware of their duties and responsibilities at all times. The Board Charter is reviewed annually to ensure that it remains consistent with the Board's roles and objectives. The Board Charter is available on the Company's website at [www.berjaya.com/berjaya-assets/index.html](http://www.berjaya.com/berjaya-assets/index.html).

## 2. COMPOSITION OF THE BOARD

The Board currently has nine (9) members comprising:-

- The Chairman (who is Independent Non-Executive);
- Two (2) Executive Directors;
- Three (3) Non-Independent Non-Executive Directors; and
- Three (3) Independent Non-Executive Directors.

This composition fulfills the requirements as set out under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") which stipulates that at least two (2) Directors or one-third of the Board, whichever is higher, must be independent.

The Executive and Non-Executive Directors, with their different backgrounds and experiences in the fields of finance, accounting, property development, business development and investment, provide an optimum mix of skills and experience for a balanced and effective Board. The Board is satisfied with the current size and composition of its Board members. A brief profile of each Director is contained in pages 2 to 6 of the Annual Report.

### Nomination Committee

The Nomination Committee of the Company comprises exclusively of non-executive Directors, all of whom are independent Directors. The Nomination Committee currently comprises the following members:-

1. YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin - Chairman / Independent Non-Executive
2. Heng Kiah Choong - Member / Independent Non-Executive
3. Dato' Mohd Salleh Bin Ahmad - Member / Independent Non-Executive

## STATEMENT ON CORPORATE GOVERNANCE

The Nomination Committee is responsible amongst others, for identifying and making recommendations for any appointments and re-election of Board members or Board committee members. When considering new appointments, the Nomination Committee would consider the size, composition, mix of skills, experience, competencies and other qualities of the existing Board, level of commitment, resources and time that the recommended candidate can contribute to the existing Board and Group. The Nomination Committee would then make recommendation to the Board if the proposed candidate is found to be suitable.

On an annually basis, the Nomination Committee would review the size, balance and composition of the Board to ensure that the Board has the appropriate mix of expertise and experience and collectively possesses the necessary core competencies for effective functioning and informed decision-making.

The Nomination Committee is also tasked under its terms of reference to carry out the necessary evaluation of the effectiveness of each Director, the Board and the Board Committees on an annual basis. During the financial year, the Committee had carried out an annual evaluation assessment as an effort to determine and monitor the level of effectiveness of the Board, the Board Committees as well as the Board members. The evaluation process also involved a peer and self-review assessment, where Directors will assess their own performance and that of their fellow Directors. These assessments and comments by all Directors were summarised and discussed at the Nomination Committee meeting which were then reported to the Board at the Board Meeting held thereafter. Based on the assessment conducted, the Nomination Committee and the Board were satisfied with the level of performance and effectiveness of the Board members and the Board Committees.

### **Boardroom Gender Diversity**

The current Board composition has no female board member. The Board presently does not have a policy on boardroom gender diversity as the Board believes in providing equal opportunity to candidates who have the skills, experiences, core competencies and other qualities regardless of gender.

### **Re-election and Re-appointment of Director**

The Nomination Committee also conducted an assessment of the Directors who are subject to retirement at the annual general meeting ("AGM") in accordance with the provisions of the Articles of Association of the Company and the relevant provisions of the Companies Act, 1965.

In accordance with the Company's Articles of Association, one-third (1/3) of the Directors shall retire from office, at least once in three (3) years. Retiring Directors can offer themselves for re-election. Directors who are appointed by the Board during the financial year will offer themselves for re-election by the shareholders at the AGM held following their appointments.

Pursuant to Section 129(6) of the Companies Act, 1965, Directors who are over the age of seventy (70) years shall retire at every AGM, and may offer themselves for re-appointment to hold office until the next AGM.

### **Remuneration Policies and Procedures**

The Remuneration Committee of the Company comprises exclusively of non-executive Directors, all of whom are independent Directors and its composition is as follows:-

1. YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin - Chairman / Independent Non-Executive
2. Heng Kiah Choong - Member / Independent Non-Executive
3. Dato' Mohd Salleh Bin Ahmad - Member / Independent Non-Executive



## STATEMENT ON CORPORATE GOVERNANCE

### Tenure of Independent Director

The Board takes cognizance of the Code's recommendation that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine years, an Independent Director may continue to serve on the Board but will be re-designated as a non-Independent Director. In the event the Board wishes to retain such Director as an Independent Director, the Board must justify and seek shareholders' approval.

As at the date of this statement, Mr Heng Kiah Choong and Dato' Mohd Salleh Bin Ahmad have served the Board for more than nine years. The Company had obtained shareholders' approvals at the last AGM held on 4 December 2013 to retain Mr Heng Kiah Choong and Dato' Mohd Salleh Bin Ahmad as Independent Non-Executive Directors of the Company notwithstanding that they had been on the Board of the Company for a cumulative term of more than 9 years. The Nomination Committee and the Board have upon their annual assessments conducted for the year 2014, concluded that Mr Heng Kiah Choong and Dato' Mohd Salleh Bin Ahmad shall remain independent and recommended that both Mr Heng Kiah Choong and Dato' Mohd Salleh Bin Ahmad shall continue to act as Independent Directors, subject to shareholders' approval at the forthcoming AGM of the Company based on the following justifications:-

- a) Mr Heng Kiah Choong:-
  - i) he fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board.
  - ii) he has been with the Company for more than 9 years and is familiar with the Company's business operations.
  - iii) he remains objective and independent in expressing his views and participating in deliberations and decision making process of the Board and Board Committees. The length of his service on the Board does not in any way interfere with his exercise of independent judgement and ability to act in the best interests of the Company.
  - iv) he has exercised his due care during his tenure as an Independent Non-Executive Director and as Chairman of the Audit and Risk Management Committee of the Company and carried out his professional duties in the interests of the Company and the shareholders.
- b) Dato' Mohd Salleh Bin Ahmad:-
  - i) he fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board.
  - ii) he has been with the Company for more than 9 years and is familiar with the Company's business operations.
  - iii) he remains objective and independent in expressing his view and participating in deliberations and decision making process of the Board and Board Committees. The length of his service on the Board does not in any way interfere with his exercise of independent judgement and ability to act in the best interests of the Company.
  - iv) he has exercised his due care during his tenure as an Independent Non-Executive Director and carried out his professional duties in the interests of the Company and the shareholders.

## STATEMENT ON CORPORATE GOVERNANCE

### 4. BOARD COMMITMENT

The Board meets regularly on a quarterly basis with additional meetings being convened when necessary. The meeting dates are planned ahead of schedule to ensure that each member of the Board is committed to meet when the time arises. During the financial year ended 30 June 2014, the Board met six (6) times and the record of attendance of each Director is set out below:-

Directors	Number of Meetings Attended
YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin <sup>#</sup>	4/6
Tan Thiam Chai	6/6
Datuk Lye Ek Seang	6/6
Chan Kien Sing	5/6
Lim Meng Kwong	4/6
Dato' Dickson Tan Yong Loong	4/6
Datuk Robert Yong Kuen Loke <sup>#</sup>	5/6
Heng Kiah Choong <sup>#</sup>	6/6
Dato' Mohd Salleh Bin Ahmad <sup>#</sup>	6/6

<sup>#</sup> Denotes Independent Non-Executive Directors

All the Directors have attended no less than 50% of the Board meetings held during the financial year. During intervals between Board meetings, any matters requiring Board's decisions and approvals will be obtained through circular resolutions of the Directors. These circular resolutions will then be noted at the next Board meeting.

All Directors have complied with the restrictions on the number of directorships in public listed companies as prescribed under the Listing Requirements. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities, besides attending meetings of the Board and Board Committees. All Board members are required to notify the Chairman of the Board before accepting new directorships outside the Group. Similarly, the Chairman of the Board shall also do likewise before taking up any additional appointment as a director. The notification will also include an approximate indication of time that will be spent by the Directors on the new directorships. The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities.

#### Directors' Training

The Board recognizes the importance of training as a continuous education process for the Directors in order to ensure that the Directors stay abreast of the latest developments and changes in laws and regulations, business environment and new challenges and to equip the Directors with the necessary knowledge and skills to enable them to fulfill their responsibilities and to discharge their duties effectively.

All Directors have attended the Mandatory Accreditation Programme ("MAP") prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities"). Apart from the MAP, the Directors have also attended the Continuing Education Programme ("CEP") conducted by various course leaders. The Directors are mindful that they should continually attend seminars and courses to keep themselves updated on regulatory and corporate governance developments, besides enhancing their professionalism and knowledge to effectively discharge their duties and obligations.

The Directors are also encouraged to evaluate their own training needs on a continuous basis and to determine the relevant programmes, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board.

## STATEMENT ON CORPORATE GOVERNANCE

During the financial year, the Directors had attended various training programmes and seminars, details of which are as follows:-

Director	Seminars / Conferences / Forum
YAM Tunku Dato' Seri Shahabuddin - Bin Tunku Besar Burhanuddin	Bursa Chairman Programme – The Role of the Chairman
Tan Thiam Chai	<ul style="list-style-type: none"> <li>- Advocacy Session on corporate disclosure for Directors</li> <li>- Malaysian Accounting Standards Board – Outreach on the new Revenue Standard</li> <li>- Government intervention in Business - Some public policy issues</li> <li>- The Capital market – Marketplace huddle</li> </ul>
Datuk Lye Ek Seang	<ul style="list-style-type: none"> <li>- Advocacy Session on corporate disclosure for Directors</li> <li>- Briefing session on Corporate Governance Guide: Towards Boardroom Excellence (2nd Edition) – An Update</li> </ul>
Chan Kien Sing	<ul style="list-style-type: none"> <li>- MIA Conference 2013</li> <li>- Risk Management &amp; Internal Control workshop</li> </ul>
Lim Meng Kwong	<ul style="list-style-type: none"> <li>- MICG – Corporate Fraud Control Conference</li> <li>- Advocacy Session on corporate disclosure for Directors</li> <li>- Advanced Risk Governance and Risk Management</li> </ul>
Dato' Dickson Tan Yong Loong	<ul style="list-style-type: none"> <li>- In house training on Goods and Services Tax, Corporate Governance and Malaysian Financial Reporting Standards update</li> </ul>
Datuk Robert Yong Kuen Loke	<ul style="list-style-type: none"> <li>- Advocacy Session on corporate disclosure for Directors</li> <li>- Malaysian Institute of Certified Public Accountants Business Forum</li> </ul>
Heng Kiah Choong	<ul style="list-style-type: none"> <li>- Advocacy Session on corporate disclosure for Directors</li> <li>- Briefing session on Corporate Governance Guide: Towards Boardroom Excellence (2nd Edition) – An Update</li> <li>- 2014 MASB Roundtable on Financial Reporting</li> </ul>
Dato' Mohd Salleh Bin Ahmad	<ul style="list-style-type: none"> <li>- MICG – Corporate Fraud Control Conference</li> <li>- Advanced Risk Governance and Risk Management</li> </ul>

### 5. FINANCIAL REPORTING

#### Directors' Responsibility Statement in respect of Financial Statements

The Directors are required by the Companies Act, 1965 to prepare financial statements which give a true and fair view of the state of affairs of the Company and of the Group and of the results and cash flows of the Company and of the Group as at the end of the financial year. In preparing those financial statements, the Directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) state whether applicable financial reporting standards have been followed, subject to any material departures being disclosed and explained in the financial statements;
- (c) make judgements and estimates that are reasonable and prudent; and
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

## STATEMENT ON CORPORATE GOVERNANCE

The Directors, in preparing the financial statements for the financial year ended 30 June 2014, are satisfied that the Group has used appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent. All applicable financial reporting standards have also been followed in the preparation of the financial statements which have been prepared on a going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and to enable them to ensure that the financial statements comply with the Companies Act, 1965. The Directors are also responsible for safeguarding the assets of the Group and reasonable steps have been taken to prevent and detect fraud and other irregularities.

### **Compliance with applicable Financial Reporting Standards**

One of the key responsibilities of the Audit and Risk Management Committee is to review the financial statements and quarterly results of the Group and to ensure that such quarterly results and financial statements comply with the applicable financial reporting standards. The quarterly financial results and audited financial statements were reviewed by the Audit and Risk Management Committee and approved by the Board before they are released to Bursa Securities. The Audit and Risk Management Committee would meet with the External Auditors to review the scope and adequacy of the audit process, the annual financial statements and their audit findings. Furthermore, the Audit and Risk Management Committee is updated regularly by the External Auditors on the changes in financial reporting standards which are applicable to the Group.

Further, the Company has always maintained a formal and transparent relationship with its auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia. The external auditors are required to declare their independence annually to the Audit and Risk Management Committee as specified by the By-Laws issued by the Malaysian Institute of Accountants. The external auditors had made declaration in their annual audit plan presented to the Audit and Risk Management Committee that they were independent in accordance with the terms of the relevant professional and regulatory requirements.

The Audit and Risk Management Committee had assessed and is satisfied with the competence and independence of the external auditors and had recommended the re-appointment of the external auditors to the Board of Directors and thereafter to be tabled for the shareholders' approval at the forthcoming Annual General Meeting.

## **6. RISKS MANAGEMENT**

The Board of Directors acknowledges that risk management and internal controls is an integral part of the overall management processes. It is an ongoing process to identify, evaluate, monitor and manage and mitigate the risks that may affect the achievement of its business and corporate objectives.

The Audit and Risk Management Committee is entrusted to provide advice and assistance to the Board in fulfilling its statutory and fiduciary responsibilities relating to the Company's internal and external audit functions, risk management and matters that may significantly impact the financial conditions or affairs of the business.

The internal audit function of the Group was outsourced to the internal auditors of its affiliated company, Berjaya Land Berhad to assist the Audit and Risk Management Committee in discharging its duties and responsibilities. The internal auditors' responsibilities include providing independent and objective reports on the state of internal controls of the various operating units in the Group to the Audit and Risk Management Committee, with the recommendations for improvement to the control procedures.

The details of the risk management and system of internal control of the Company are set out in the Statement on Risk Management and Internal Controls in this Annual Report.

## STATEMENT ON CORPORATE GOVERNANCE

### 7. TIMELY DISCLOSURES

The Board will ensure that it adheres to and comply with the disclosure requirements of the Listing Requirements as well as the Corporate Disclosure Guide issued by Bursa Securities.

The Board recognises the importance of timely dissemination of information to shareholders and investors to ensure that they are well informed of all major developments of the Company and the Group. The Company keeps the shareholders, investors and members of the public abreast of all the Group's performance and operation via the quarterly financial reports, annual reports, announcements and circular to shareholders made by the Company to Bursa Securities during the year.

Apart from the announcements published through the website of Bursa Securities, the Company also maintains a website at [www.berjaya.com/berjaya-assets/index.html](http://www.berjaya.com/berjaya-assets/index.html) where shareholders as well as members of the public can access for the latest information on the Company.

### 8. RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

The Company fully recognises the rights of the shareholders and encourages them to exercise their rights at the Company's general meetings. The AGM remains the principal forum for dialogue with shareholders where they may seek clarifications on the Group's businesses. The Chairman of the meeting provided time for the shareholders to ask questions for each agenda in the notice of the general meetings. At each AGM, the Board presents the progress and performance of the Group's businesses and encourages shareholders to participate through a question and answer session. The Directors, Senior Management and/or external auditors of the Company are available to respond to shareholders' queries during the general meetings. The Notice of the AGM together with the annual report will be dispatched to shareholders at least 21 days before the date of the meeting. The shareholders are thus provided with ample time to review the annual report, to appoint proxy where necessary, and to collate questions to be asked at the AGM.

All members present at each meeting shall have the rights to demand for a poll in accordance with the provisions of the Articles of Association of the Company on the voting for any resolutions. The voting process at each meeting shall be by way of show of hands unless a poll is demanded or specifically required. The Chairman may demand for a poll for any resolutions put forward for voting at the shareholders' meetings, if so required.

The Board has identified YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin as the Senior Independent Non-Executive Director of the Board to whom queries or concerns may be conveyed.

### 9. COMPLIANCE WITH THE CODE

The Board is satisfied that the Company has, in all material aspects, complied with the principles and recommendations of the Code during the financial year ended 30 June 2014.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Malaysian Code on Corporate Governance requires listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. The Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements require Directors of listed companies to include a statement in annual reports on the state of their risk managements and internal controls. The Bursa Securities' Statement on Internal Control: Guidance for Directors of Public Listed Companies ("Guidance") provides guidance for compliance with these requirements. The Board's Risk Management and Internal Control Statement, which has been prepared in accordance with the Guidance, is set out below.

## RESPONSIBILITY

The Board of Directors recognises the importance of sound internal controls and risk management practices for good corporate governance. The Board affirms its overall responsibility for the Group's systems of internal controls and risk management, and for reviewing the adequacy and integrity of those systems. It should be noted, however, that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. In addition, it should be noted that any system could provide only reasonable, and not absolute assurance, against material misstatement or loss.

The Group had in place an ongoing process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives throughout the period. The Board regularly reviews and discusses these processes.

The Board has obtained assurance from the Executive Directors who are primarily responsible for the management of the financial affairs of the Company that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects.

## RISK MANAGEMENT FRAMEWORK

The Board has established an organisation structure with clearly defined lines of accountability and delegated authority. It has extended the responsibilities of the Audit and Risk Management Committee ("ARMC") to include the work of monitoring all internal controls and risk management. Its review covers matters such as responses to significant risks identified, output from the monitoring process and changes made to the internal control systems.

Having identified the risks to achieve the Group's strategic objectives, each functional area is required to document the management and mitigating actions for each significant risk. New areas are introduced for assessment as the business risk profile changes and are reviewed by the management team.

Each quarter, the management team will prepare a risk profile which summarises the risks, the controls and processes for managing them and the means for assuring management that the processes are effective. This information will be updated in a timely manner and reviewed by the management team who then reports to the ARMC on any significant changes in the business and the external environment that affect key risks.

## INTERNAL AUDIT FUNCTIONS

The Board recognizes that effective monitoring on a continuous basis is a vital component of a sound internal control system and had tasked the ARMC with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. In this respect, the ARMC carries out an internal audit function to monitor and assess the effectiveness of the internal control system. Observations from internal audits are presented to the ARMC together with the management's responses and proposed action plans for its review. The action plans are then followed up during subsequent internal audits and implementation status report would be prepared to update the ARMC.

The internal audit function is outsourced to the Group Internal Audit Division of an affiliated company, Berjaya Land Berhad which reports directly to the ARMC. The scope of work covered by the internal audit function is determined by the ARMC after careful consideration and discussion of the audit plan with the ARMC. The ARMC has reviewed the internal audit reports for several major subsidiary companies of the Group during the financial year.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control systems are described below:-

- Clearly defined delegation of responsibilities to committees of the Board and to management of Head Office and operating units, including authorisation level for all aspects of the business which are set out in an authority matrix;
- Regular and comprehensive information provided to management, covering financial performance and key business indicators, such as cashflow performance;
- Regular visits to operating units by senior management.

The Board remains committed towards operating a sound system of internal control and therefore recognises that the system must continuously evolve to support the type of business and size of operations of the Group. As such, the Board in striving for continuous improvement will put in place appropriate action plans, where necessary, to further enhance the Group's system for internal control.

The Board through ARMC regularly receives and reviews reports on internal control, which include highlights on significant risks affecting the Group.

The system of internal control was satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of Berjaya Assets Berhad is pleased to present the report of the Audit and Risk Management Committee for the financial year ended 30 June 2014.

## MEMBERS AND MEETING ATTENDANCES

The members of the Audit and Risk Management Committee are as follows:

**Heng Kiah Choong**

*Chairman/Independent Non-Executive Director*

**Chan Kien Sing**

*Non-Independent Non-Executive Director*

**Dato' Mohd Salleh Bin Ahmad**

*Independent Non-Executive Director*

The Audit and Risk Management Committee held seven (7) meetings during the financial year ended 30 June 2014. The details of attendance of the members are as follows:

<b>Name</b>	<b>Attendance</b>
Heng Kiah Choong	7/7
Chan Kien Sing	6/7
Dato' Mohd Salleh Bin Ahmad	7/7

The General Manager of Group Internal Audit, the General Manager of Group Accounts and Budgets of Berjaya Corporation Berhad and the Executive Director of Berjaya Times Square Sdn Bhd were also invited to attend the Audit and Risk Management Committee meetings. The external auditors were also invited to attend three (3) of these meetings.

## SUMMARY OF ACTIVITIES OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The activities undertaken by the Audit and Risk Management Committee during the financial year ended 30 June 2014 included the following:

1. Reviewed the quarterly and year-to-date unaudited financial results before submission to the Board for consideration and approval;
2. Reviewed the external auditors' scope of work and audit plan for the year;
3. Reviewed the internal audit reports presented and considered the findings of internal audit in the Group's operating subsidiaries through the review of internal audit reports tabled and management responses thereto and ensuring significant findings were adequately addressed by the management;
4. Reviewed the risk management reports of the Group's operating subsidiaries and ensuring appropriate risk management measures and measurement methodologies were in place to reduce business risk exposures;
5. Reviewed and discussed the external auditors' audit report and areas of concern in the management letter thereof;
6. Reviewed and recommended for Board's approval, the Audited Financial Statements of the Company;
7. Reviewed the Statement on Risk Management and Internal Control, Statement on Corporate Governance and the Audit and Risk Management Committee Report for inclusion in the Company's Annual Report;
8. Reviewed the Internal Audit Plan for year 2015;
9. Reported to the Board on its activities and significant findings and results; and
10. Reviewed the related party transactions and the shareholders' circulars in relation to recurrent related party transactions.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## INTERNAL AUDIT FUNCTION

### SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Company does not have its own in-house Internal Audit function. The internal audit function was outsourced to the internal auditors of its affiliated company, Berjaya Land Berhad, to assist the Audit and Risk Management Committee in discharging its duties and responsibilities. Their role is to provide the Audit and Risk Management Committee with independent and objective reports on the state of internal controls of the operating units within the Group and the extent of compliance by such units with the Group's established policies and procedures.

For the financial year under review, the Internal Auditors conducted audit assignments on various operating units in the Group involved in property investment and management, theme park, gaming, hotel and car park operations.

The activities undertaken by the Internal Auditors during the financial year ended 30 June 2014 included the following:

1. Tabled Internal Audit Plan for the Audit and Risk Management Committee's review and endorsement.
2. Reviewed the existing systems, controls and governance processes of various operating units within the Group.
3. Conducted audit reviews and evaluated risk exposures relating to the Group's governance process and system of internal controls on reliability and integrity of financial and operational information, safeguarding of assets, efficiency of operations, compliance with established policies and procedures and statutory requirements.
4. Provided recommendations to assist the various operating units and the Group in accomplishing its internal control requirements by suggesting improvements to the control processes.
5. Issued internal audit reports incorporating audit recommendations and management's responses in relation to audit findings on weaknesses in the systems and controls to the respective operations management.
6. Presented the above internal audit reports to the Audit and Risk Management Committee for review.
7. Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.

The cost incurred for the Internal Audit function in respect of the financial year ended 30 June 2014 was approximately RM154,000.

### TERMS OF REFERENCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

#### 1. MEMBERSHIP

The Audit and Risk Management Committee ("the Committee") shall be appointed by the Board from amongst the Directors and shall consist of not less than three members and all the Committee must be non-executive directors, with majority of them being independent directors and at least one member of the Committee must be a member of the Malaysian Institute of Accountants or possesses such other qualifications and experience as approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the Board of Directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

#### 2. QUORUM

A quorum for the Committee shall consist of two members and a majority of the members present must be Independent Directors.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

### 3. CHAIRMAN

The Chairman of the Committee shall be an Independent Director appointed by the Board. He shall report on each meeting of the Committee to the Board.

### 4. SECRETARY

The Company Secretary shall be the Secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to the Committee members prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee members and to the other members of the Board of Directors.

### 5. FREQUENCY OF MEETINGS

Meetings shall be held not less than four times a year and will normally be attended by the Director charged with the responsibilities of the Group's finance and the outsourced Head of Internal Audit. The presence of external auditors will be requested if required and the external auditors may also request a meeting if they consider it necessary.

### 6. AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

The Committee is also authorised to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

### 7. DUTIES

The duties of the Committee shall be:

- (a) To review and recommend the appointment of external auditors, the audit fee and any questions of resignation or dismissal including recommending the nomination of person or persons as external auditors;
- (b) To discuss with the external auditors where necessary, on the nature and scope of audit and to ensure coordination of audit where more than one audit firm is involved;
- (c) To review the quarterly results and year-end financial statements prior to the approval by the Board, focusing on:
  - going concern assumption
  - compliance with applicable financial reporting standards and regulatory requirements
  - any changes in accounting policies and practices
  - significant issues arising from the audit
  - major judgemental areas
- (d) To prepare Audit and Risk Management Committee Report at the end of each financial year;
- (e) To discuss problems and reservations arising from the interim and final external audits, and any matters the external auditors may wish to discuss (in the absence of management, where necessary);
- (f) To review the external auditors' management letter and management's response;
- (g) To review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

- (h) To do the following in relation to the internal audit function:
- review the adequacy of scope, functions, competency and resources of the outsourced internal audit department and that it has the necessary authority to carry out its work;
  - review internal audit programme;
  - ensure coordination of external audit with internal audit;
  - consider the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
  - to monitor related party transactions entered into by the Company and its subsidiaries, and to ensure that the Directors report such transactions annually to shareholders via the annual report;
  - to review and monitor the effectiveness of internal control systems and to evaluate the systems with the external auditors;
- (i) To carry out such other responsibilities, functions or assignments as may be defined jointly by the Audit Committee and the Board of Directors from time to time;
- (j) In compliance with Paragraph 15.16 of the Bursa Securities Main Market Listing Requirements, where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Committee must promptly report such matter to Bursa Securities;
- (k) To undertake the following risk management activities:
- *Establishing Strategic Context* – Ensuring that the strategic context of the risk management strategy is complete and takes into account the environment within which the Group operates and the requirements of all stakeholders and the Board.
  - *Establishing Risk Management Processes* – Determining the overall risk management processes that should be adopted by the business units and developing appropriate guidelines and policies for implementation.
  - *Establishing Risk Management Structure* – Ensuring a short and long term risk management strategy, framework and methodology have been implemented and consistently applied by all business units.
  - *Embedding Risk Management Capability* – Ensuring risk management processes are integrated into all core business processes and that the culture of the organisation reflects the risk consciousness of the Board.
  - *Establishing Reporting Mechanism* – Providing a consolidated risk and assurance report to the Board and Audit Committee to support the statement relating to internal control in the company's annual report.
  - *Integrating & coordinating assurance activity* – Ensuring alignment and coordination of assurance activity across the organisation.
  - *Establishing Business Benefits* – Identifying opportunities to release potential business benefits through the enhancement of risk management capabilities within the Group.
  - *Establishing Effectiveness of Risk Management Processes* – Simplifying and improving the effectiveness of existing risk management structures.
  - *Managing the Group Wide Risk Management Programme* – Supporting the implementation of the risk management processes within the business. The Committee will act as steering committee for the Group Wide Risk Management Programme (GWRM).

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## DIRECTORS' REPORT

### ISSUE OF SHARES AND DEBENTURES

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

### SHARE OPTIONS AND WARRANTS

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

As of 30 June 2014, there were no unissued shares of the Company under options and there was a total of 415,982,348 Warrants 2008/2018 outstanding. None of the Warrants 2008/2018 were exercised during the financial year.

The main features of the Warrants 2008/2018 are disclosed in Note 17 to the financial statements.

### DIRECTORS

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

YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin  
Tan Thiam Chai  
Datuk Lye Ek Seang  
Chan Kien Sing  
Lim Meng Kwong  
Dato' Dickson Tan Yong Loong  
Datuk Robert Yong Kuen Loke  
Heng Kiah Choong  
Dato' Mohd Salleh Bin Ahmad

### DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in Note 32 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 41 to the financial statements.

### DIRECTORS' INTERESTS IN SHARES

According to the register of directors' shareholdings, none of the Directors in office at the end of the financial year had any interest in shares of the Company and its related corporations during the financial year.

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 47 to the financial statements.

### SIGNIFICANT EVENT SUBSEQUENT TO THE FINANCIAL YEAR END

Significant event subsequent to the financial year is disclosed in Note 48 to the financial statements.

## DIRECTORS' REPORT

### OTHER STATUTORY INFORMATION

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

### AUDITORS

The auditors, Messrs. Deloitte (formerly known as Deloitte KassimChan), have indicated their willingness to continue in office.

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

**TAN THIAM CHAI**

**CHAN KIEN SING**

16 October 2014

# STATEMENT BY DIRECTORS

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

We, **TAN THIAM CHAI** and **CHAN KIEN SING**, being two of the Directors of **BERJAYA ASSETS BERHAD**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 42 to 117 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as of 30 June 2014 and of the results and the cash flows of the Group and of the Company for the year then ended.

The information set out in Note 51 to the financial statements on page 118 has been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the Board of Directors dated 16 October 2014.

**TAN THIAM CHAI**

**CHAN KIEN SING**

# STATUTORY DECLARATION

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

I, **TAN THIAM CHAI**, being the Director primarily responsible for the financial management of **BERJAYA ASSETS BERHAD**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 42 to 118 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
abovenamed **TAN THIAM CHAI** at Kuala Lumpur  
in the Federal Territory on 16 October 2014.

**TAN THIAM CHAI**

Before me,

**YM TENGKU FARIDDUDIN BIN TENGKU SULAIMAN (W533)**

Commissioner for Oaths  
Kuala Lumpur

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERJAYA ASSETS BERHAD

## Report on the Financial Statements

We have audited the financial statements of Berjaya Assets Berhad, which comprise the statements of financial position of the Group and of the Company as of 30 June 2014, and the statements of profit or loss, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of 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 42 to 117.

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

The Directors of the Company are responsible for the preparation of these financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and 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 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 the auditors' judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of 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 that 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 30 June 2014 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of 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 that:

- (a) in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act;
- (b) we have considered the accounts and auditors' reports of all the subsidiary companies of which we have not acted as auditors, which are disclosed in Note 50 to the financial statements;
- (c) we are satisfied that the accounts of the subsidiary companies that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations as required by us for those purposes; and
- (d) the auditors' reports on the accounts of the subsidiary companies were not subject to any qualification and did not include any adverse comment made under Section 174(3) of the Act.

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF BERJAYA ASSETS BERHAD

### Other Reporting Responsibilities

The supplementary information set out in Note 51 to the financial statements is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the Financial Statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

### Other Matter

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 towards any other person for the contents of this report.

**DELOITTE**  
AF 0080  
Chartered Accountants

**TEO SWEE CHUA**  
Partner - 2846/01/16 (J)  
Chartered Accountant

16 October 2014





# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Profit for the year	50,599	52,887	22,026	22,672
Other comprehensive income:				
<u>Items that may be subsequently reclassified to profit or loss</u>				
Net gain/(loss) on available-for-sale investments:				
- Gain/(Loss) on fair value changes	3,668	(954)	222	142
- Transfer to statement of profit or loss upon disposal	(5,803)	(325)	-	(24)
Currency translation difference	2,377	(47)	-	-
Total comprehensive income for the year	50,841	51,561	22,248	22,790
Attributable to:				
Owners of the Parent	45,613	44,493	22,248	22,790
Non-controlling interests	5,228	7,068	-	-
	50,841	51,561	22,248	22,790

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



# STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 30 JUNE 2014

	← Non-distributable →			Distributable	Total RM'000
	Share capital RM'000	Share Premium RM'000	Available- for-sale- Reserve RM'000	Retained Earnings RM'000	
<b>As of 1 July 2012</b>	1,113,042	258,985	900	76,489	1,449,416
Total comprehensive income	-	-	118	22,672	22,790
Transaction with owners:					
Dividends (Note 38)	-	-	-	(16,696)	(16,696)
<b>As of 30 June 2013</b>	1,113,042	258,985	1,018	82,465	1,455,510
<b>As of 1 July 2013</b>	1,113,042	258,985	1,018	82,465	1,455,510
Total comprehensive income	-	-	222	22,026	22,248
Transaction with owners:					
Dividends (Note 38)	-	-	-	(22,261)	(22,261)
<b>As of 30 June 2014</b>	1,113,042	258,985	1,240	82,230	1,455,497

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



## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

(a) The closing cash and cash equivalents comprise of:

Deposits with licensed banks (Note 16)  
Cash on hand and at banks (Note 16)  
Bank overdraft (Note 22)

2014 RM'000	2013 RM'000
96,434	53,902
26,951	13,990
(7,327)	(7,353)
116,058	60,539

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 RM'000	2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments for operating expenses		(1,359)	(820)
Payment of taxes		(62)	-
Net cash used in operating activities		(1,421)	(820)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from partial disposal of a subsidiary company		250,000	-
Acquisition of property, plant and equipment		(3)	(6)
Sale of other investments		-	183
Interest received		4,877	1,826
Dividends received		13,570	23,303
Net cash generated from investing activities		268,444	25,306
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		(1,020)	(1,231)
Inter-company payments		(234,400)	(5,912)
Dividends paid to shareholders of the Company		(22,261)	(16,696)
Net cash used in financing activities		(257,681)	(23,839)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		9,342	647
<b>OPENING CASH AND CASH EQUIVALENTS</b>		1,838	1,191
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	(a)	11,180	1,838

(a) The closing cash and cash equivalents comprise of:

	2014 RM'000	2013 RM'000
Deposits with licensed banks (Note 16)	10,456	1,111
Cash on hand and at banks (Note 16)	724	727
	11,180	1,838

# NOTES TO THE FINANCIAL STATEMENTS

## - 30 JUNE 2014

### 1 GENERAL INFORMATION

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

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies.

The principal activities of the subsidiary companies consist of:

- (i) number forecast lotteries in Sarawak;
- (ii) general trading and commission agent;
- (iii) provision of lottery consultancy and related services;
- (iv) property investment and development;
- (v) investment holding;
- (vi) operation of a hotel;
- (vii) management of ferry terminal; and
- (viii) operation of theme park.

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

The registered office of the Company is located at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency. All information presented in RM has been rounded to the nearest thousand (RM'000) unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 16 October 2014.

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the provisions of the Companies Act, 1965 in Malaysia.

#### 2.1 Changes in Accounting Policy

On 1 July 2013, the Group and the Company adopted the following new MFRSs, Amendments to MFRSs, Annual Improvements and Interpretations:

##### **Effective for financial periods beginning on or after 1 January 2013**

MFRS 10: Consolidated Financial Statements  
 MFRS 11: Joint Arrangements  
 MFRS 12: Disclosure of Interests in Other Entities  
 MFRS 13: Fair Value Measurement  
 MFRS 119: Employee Benefits  
 MFRS 127: Separate Financial Statements  
 MFRS 128: Investment in Associates and Joint Ventures  
 Amendments to MFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities  
 Amendments to MFRS 10: Consolidated Financial Statements - Transition Guidance  
 Amendments to MFRS 11: Joint Arrangement - Transition Guidance  
 Amendments to MFRS 12: Disclosure of Interest In Other Entities - Transition Guidance







# NOTES TO THE FINANCIAL STATEMENTS

- 30 JUNE 2014

## 3 SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

### 3.2 Summary of Significant Accounting Policies

#### (a) Subsidiary Companies and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies, which are prepared up to the end of the same financial year.

Subsidiary companies are those investees controlled by the Group. The Group controls an investee if and only if the Group has all the following:

- i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- ii) exposure, or rights, to variable returns from its investment with the investee; and
- iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting rights of an investee, the Group considers the following in assessing whether or not the Group's voting rights in an investee are sufficient to give it power over the investee:

- i) the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- ii) potential voting rights held by the Group, other vote holders or other parties;
- iii) rights arising from other contractual arrangements; and
- iv) any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiary companies are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, consolidation of a subsidiary company begins when the Group obtains control over the subsidiary company and ceases when the Group loses control of the subsidiary company.

The cost of acquisition of a subsidiary company depends on whether it is a business combination, in accordance with the specifications in MFRS 3, or not. If it is not a business combination, the cost of acquisition consists of the consideration transferred ("CT").

The CT is the sum of fair values of the assets transferred by the Group, the liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree on the date of acquisition, the amount of any non-controlling interests in the acquiree and any contingent consideration. For an acquisition that is not a business combination, the acquisition-related costs can be capitalised as part of the cost of acquisition. If it is a business combination, the cost of acquisition (or specifically, the cost of business combination) consists of CT, and the amount of any non-controlling interests in the acquiree, the fair value of the Group's previously held equity interest in the acquiree and any contingent consideration. For an acquisition that is a business combination, the acquisition-related costs are recognised in the statement of profit or loss as incurred.



# NOTES TO THE FINANCIAL STATEMENTS

- 30 JUNE 2014

## 3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.2 Summary of Significant Accounting Policies (cont'd)

#### (a) Subsidiary Companies and Basis of Consolidation (cont'd)

When the Group loses control of a subsidiary company, a gain or loss calculated as the difference between:

- i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary company and any non-controlling interest;

is recognised in the statement of profit or loss. The subsidiary company's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to the statement of profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary company at the date control is lost is regarded as the cost on initial recognition of the investment.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less impairment losses.

#### (b) Associated Companies and Joint Ventures

Associated companies are entities in which the Group has significant influence. Significant influence is the power through board representations to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited and supplemented by management financial statements of the associated companies and the joint ventures made up to the Group's financial year-end. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

On acquisition of an investment in associated company or joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets acquired and liabilities assumed of the investee is recognised as goodwill and included in the carrying amount of the investment and is not amortised.

Any excess of the Group's share of net fair value of the associated company's or the joint venture's identifiable assets acquired and liabilities assumed over the cost of investment is included as income in the determination of the Group's share of associated company's or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in an associated company or a joint venture is recognised at cost on initial recognition, and the carrying amount is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the associated company or the joint venture after the date of acquisition, less impairment losses. The Group's share of comprehensive income of associated companies or joint ventures acquired or disposed of during the financial year, is included in the consolidated statement of profit or loss from the date that significant influence effectively commences or until the date that significant influence effectively ceases, as appropriate.

























































































































## NOTES TO THE FINANCIAL STATEMENTS

- 30 JUNE 2014

### 50 SUBSIDIARY AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2014 %	2013 %
<b>Subsidiary Companies (cont'd.)</b>				
<b>Subsidiary of Rentas Padu Sdn Bhd</b>				
Tropicfair Sdn Bhd	Malaysia	Investment holding	100	100
<b>Subsidiary of Berjaya Waterfront Sdn Bhd</b>				
Jauhari Maksima Sdn Bhd	Malaysia	Dormant	70	100
<b>Associated Company</b>				
Megaquest Sdn Bhd	Malaysia	Investment holding	50	50

\* Effective interest

# 66.67% held by Bumisuci Sdn Bhd and 33.33% held by Ishandal Sdn Bhd

^ Not audited by Deloitte (formerly known as Deloitte KassimChan) or a member firm of Deloitte Global

## NOTES TO THE FINANCIAL STATEMENTS

- 30 JUNE 2014

### 51 SUPPLEMENTARY INFORMATION - BREAKDOWN OF RETAINED EARNINGS INTO REALISED AND UNREALISED

The breakdown of the retained earnings of the Group and of the Company into realised and unrealised earnings is as follows:

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Realised earnings	485,601	521,259	82,230	82,465
Unrealised earnings	775,828	710,592	-	-
Total retained earnings	1,261,429	1,231,851	82,230	82,465
Less: Consolidation adjustments	(602,938)	(442,622)	-	-
Retained earnings as per financial statements	658,491	789,229	82,230	82,465

The determination of realised and unrealised earnings is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants.



# OTHER INFORMATION

## **MATERIAL CONTRACTS**

Other than as disclosed in Notes 15, 22, 23, 27, 32, 40, 41 and 47 of the financial statements for the financial year ended 30 June 2014 neither Berjaya Assets Berhad nor any of its subsidiaries had entered into any material contracts, involving Directors and major shareholders.

## **NON-AUDIT FEES**

The amount of non-audit fees incurred for services rendered to the Group for the financial year ended 30 June 2014 amounted to RM63,000.























## NOTICE OF ANNUAL GENERAL MEETING

AND THAT upon completion of the purchase(s) of the BAssets Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with the BAssets Shares so purchased by the Company in the following manner:-

- (a) cancel all the BAssets Shares so purchased; or
- (b) retain all the BAssets Shares as treasury shares for future re-sale or for distribution as dividends to the shareholders of the Company; or
- (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force.”

**Resolution 11**

#### **(iv) Proposed Retention of Independent Non-Executive Director**

“THAT Heng Kiah Choong be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company notwithstanding that he has been on the Board of the Company for a cumulative term of more than 9 years.”

**Resolution 12**

#### **(v) Proposed Retention of Independent Non-Executive Director**

“THAT Dato’ Mohd Salleh Bin Ahmad be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company notwithstanding that he has been on the Board of the Company for a cumulative term of more than 9 years.”

**Resolution 13**

### **NOTICE OF DIVIDEND PAYMENT AND ENTITLEMENT DATE**

NOTICE IS ALSO HEREBY GIVEN THAT the final dividend of 2 sen single tier exempt dividend per ordinary share of RM1.00 each in respect of the financial year ended 30 June 2014, if approved by the shareholders at the forthcoming Annual General Meeting, will be paid on 29 January 2015.

The entitlement date shall be fixed on 8 January 2015 and a Depositor shall qualify for entitlement only in respect of:

- a. Shares transferred to the Depositor’s Securities Account before 4.00 p.m. on 8 January 2015 in respect of ordinary transfers.
- b. Shares bought on Bursa Malaysia Securities Berhad (“Bursa Securities”) on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

SU SWEE HONG  
Secretary  
Kuala Lumpur

10 November 2014

# NOTICE OF ANNUAL GENERAL MEETING

## NOTES:

### (A) APPOINTMENT OF PROXY

1. A member entitled to attend and vote at the Meeting is entitled to appoint one (1) proxy only, to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") may appoint one (1) proxy in respect of each securities account. Where a member is an exempt authorised nominee as defined under the SICDA and holding shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if such appointor is a corporation, either under its common seal, or the hand of its officer or its duly authorised attorney.
4. The instrument appointing a proxy must be deposited at the Company's Registered Office, Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
5. Only depositors whose names appears in the Record of Depositors as at 27 November 2014 shall be regarded as members and entitled to attend, speak and vote at the Annual General Meeting.

### (B) SPECIAL BUSINESS

1. Resolution 9 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Fifty-Third Annual General Meeting held on 4 December 2013 and which will lapse at the conclusion of the Fifty-Fourth Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

2. Resolution 10 is in relation to the approval on the Shareholder's Mandate on Recurrent Related Party Transactions and if passed, will allow the Company and its subsidiary companies to enter into Recurrent Related Party Transactions in accordance with paragraph 10.09 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The explanatory notes on Resolution 10 are set out in the Circular to Shareholders dated 10 November 2014 which is despatched together with the Company's 2014 Annual Report.
3. Resolution 11 is proposed to provide the mandate for the Company to buy back its own shares up to a limit of 10% of the issued and paid-up share capital of the Company ("Proposed Share Buy-Back"). Detailed information on the Proposed Share Buy-Back is set out under Part B of the Circular to Shareholders dated 10 November 2014 which is despatched together with the Company's 2014 Annual Report.
4. Resolution 12 is proposed pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012 and if passed, will allow Mr Heng Kiah Choong to be retained and continue to act as an Independent Non-Executive Director of the Company.

The Nomination Committee and the Board have assessed the independence of Mr Heng Kiah Choong and recommended him to continue to act as an Independent Non-Executive Director of the Company. The Board's justifications for the retention of Mr Heng Kiah Choong is set out in the Statement on Corporate Governance in the Company's 2014 Annual Report.

5. Resolution 13 is proposed pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012 and if passed, will allow Dato' Mohd Salleh Bin Ahmad to be retained and continue to act as an Independent Non-Executive Director of the Company.

The Nomination Committee and the Board have assessed the independence of Dato' Mohd Salleh Bin Ahmad and recommended him to continue to act as an Independent Non-Executive Director of the Company. The Board's justifications for the retention of Dato' Mohd Salleh Bin Ahmad is set out in the Statement on Corporate Governance in the Company's 2014 Annual Report.

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# FORM OF PROXY



I/We \_\_\_\_\_  
(Name in full)

I.C. or Company No. \_\_\_\_\_ CDS Account No. \_\_\_\_\_  
(New and Old I.C. Nos. or Company No.)

of \_\_\_\_\_  
(Address)

being a member/members of BERJAYA ASSETS BERHAD hereby appoint:

\_\_\_\_\_ I.C. No. \_\_\_\_\_  
(Name in full) (New and Old I.C. Nos.)

of \_\_\_\_\_  
(Address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Fifty-Fourth Annual General Meeting of the Company to be held at Manhattan III, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur on Thursday, 4 December 2014 at 10:00 a.m. or any adjournment thereof.

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

	FOR	AGAINST
RESOLUTION 1 - To receive and adopt the Audited Financial Statements.		
RESOLUTION 2 - To approve the payment of a final dividend of 2 sen single tier exempt dividend.		
RESOLUTION 3 - To approve payment of Directors' fees.		
RESOLUTION 4 - To re-elect Tan Thiam Chai as Director.		
RESOLUTION 5 - To re-elect Datuk Lye Ek Seang as Director.		
RESOLUTION 6 - To re-appoint YAM Tunku Dato' Seri Shahabuddin Bin Tunku Besar Burhanuddin as Director.		
RESOLUTION 7 - To re-appoint Dato' Mohd Salleh Bin Ahmad as Director.		
RESOLUTION 8 - To re-appoint auditors.		
RESOLUTION 9 - To approve authority to issue and allot shares.		
RESOLUTION 10 - To renew and to seek shareholders' mandate for Recurrent Related Party Transactions.		
RESOLUTION 11 - To approve authority to purchase its own shares by the Company.		
RESOLUTION 12 - To approve the proposed retention of Heng Kiah Choong as an Independent Non-Executive Director.		
RESOLUTION 13 - To approve the proposed retention of Dato' Mohd Salleh Bin Ahmad as an Independent Non-Executive Director.		

\_\_\_\_\_  
Signature of Shareholder(s)

<b>No. of Shares Held</b>

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

## NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one (1) proxy only, to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") may appoint one (1) proxy in respect of each securities account. Where a member is an exempt authorised nominee as defined under the SICDA and holding shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if such appointor is a corporation, either under its common seal, or the hand of its officer or its duly authorised attorney.
4. The instrument appointing a proxy must be deposited at the Company's Registered Office, Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
5. Only depositors whose names appears in the Record of Depositors as at 27 November 2014 shall be regarded as members and entitled to attend, speak and vote at the Annual General Meeting.

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THE COMPANY SECRETARY  
**BERJAYA ASSETS BERHAD** (3907-W)

LOT 13-01A, LEVEL 13 (EAST WING)  
BERJAYA TIMES SQUARE  
NO. 1, JALAN IMBI  
55100 KUALA LUMPUR

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# GROUP ADDRESSES

## BERJAYA TIMES SQUARE SDN BHD

### Corporate Office:

Lot 08-16, P.O Box. 08-23  
Level 8, Berjaya Times Square  
No. 1 Jalan Imbi  
55100 Kuala Lumpur  
Tel : 03-2144 9821  
Fax : 03-2143 3055  
[www.timessquarekl.com](http://www.timessquarekl.com)

## BERJAYA TIMES SQUARE THEME PARK SDN BHD

Lot 09-103  
Level 9, Berjaya Times Square  
No. 1 Jalan Imbi  
55100 Kuala Lumpur  
Tel : 03-2117 3118  
Fax : 03-2143 2380

## BERJAYA WATERFRONT SDN BHD

88, Jalan Ibrahim Sultan  
Stulang Laut  
80300 Johor Bahru  
Johor Darul Takzim  
Tel : 07-221 8000  
Fax : 07-221 9000

## NATURAL AVENUE SDN BHD

### Head Office:

Lot 8189 & 8190  
Town East, Jalan Pending  
93450 Kuching  
Sarawak  
Tel : 082-333 666  
Fax : 082-330 188  
[www.cashsweep.com.my](http://www.cashsweep.com.my)

### Regional Office:

#### Kuching Regional Office

No. 273-274, Lot 2545-2546  
Centraland Commercial Park  
Off Jalan Rock  
93200 Kuching  
Sarawak  
Tel : 082-233 466  
Fax : 082-233 467

#### Sibu Regional Office

No. 7, Lorong Wong King Huo 1D  
96000 Sibu  
Sarawak  
Tel : 084-320 202  
Fax : 082-320 246

#### Miri Regional Office

Lot 627, Ground Floor  
Jalan Sim Chieng Kay  
Off North Yu Seng Road  
98000 Miri  
Sarawak  
Tel : 085-415 331  
Fax : 085-415 336



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